



THACKRAY
MUSEUM OF
MEDICINE

2020 ANNUAL REPORT

and financial statements for the
year ended 31 December 2020

The Thackray Medical Museum Company Limited
Charity Registration N° 1016169 | Company Registration N° 02772412

INTRODUCTION FROM THE CHAIRMAN



What a year.

In all my time working in healthcare, business and with charities, I cannot remember a year where organisations, from volunteers and staff to senior executives and the board of directors have constantly had to be so on the ball to adapt to such volatile and serious conditions. I am delighted to be able to report that the Thackray Museum of Medicine responded to the challenge of COVID-19 with remarkable resilience, agility and to great effect.

Despite all the lockdowns, closures and anxieties of our pandemic year, the museum has been able to complete a major capital project, comprising a complete makeover of its public spaces and galleries. We have adapted to remote working and a world of virtual museums, with new digital projects and the launch of our #ThackrayOnline learning programme. We have managed our finances with surgical care and secured funding and finance to keep the museum operational and provide real sustainability for the future – raising well over a million pounds in unrestricted funding. We have worked to support the wider effort against COVID-19 – whether through providing practical facilities for our NHS neighbours during lockdown, supporting wider public health messages through our programmes or through hosting vaccine trials and vaccination programmes.

It has not been easy. Members of our team have had to be fully or partially furloughed for large parts of the year and remaining staff have had to adapt to remote and socially distanced working – not always a natural fit for our customer-oriented and hands-on staff and volunteers. We have had to rapidly learn how to use new technologies, from Zoom to digital

video editing and 3D modelling. We have had to do all this against a background of anxiety about the welfare of our loved ones, childcare and family commitments, illness and in too many cases, personal loss. In 2020, the museum has said farewell to two of our most valued guiding lights, with the deaths of our much-loved and respected President, Professor Monty Losowsky and our good friend and Trustee, John Roles.

Perhaps all the more remarkable then are the small acts of solidarity and support that our team have found time for. Whether that has meant being on call at unsociable hours to ensure continuity and safety or finding time to volunteer at vaccination centres or foodbanks – our team has found so many ways to remind everyone of the potential of a museum like the Thackray to make a real difference to people's lives. This has never been truer than when the museum in December became the first in the world to host a public vaccination centre.

When we finally reopen in 2021, I have no doubt that the museum will continue to make a difference to people's lives. We will be a place to reconnect after social distancing and isolation. We will be a place to reflect on the experience and lessons of the pandemic. We will be a place to hold the stories of the generation who witnessed such a remarkable year and to inspire the next generation to meet the medical challenges of the future.

I'm looking forward to seeing you there.

A handwritten signature in black ink, appearing to read 'Neil Kaiper-Holmes'. The signature is fluid and cursive, with a long, sweeping underline.

Dr Neil Kaiper-Holmes
Chairman of the Trustees

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The image features a dark teal background with the text "ANNUAL REPORT" centered in a bold, white, sans-serif font. The text is arranged in two lines: "ANNUAL" on top and "REPORT" below it. Surrounding the text are several abstract, colorful shapes: a pink teardrop shape in the upper left, a blue circle in the upper right, a large orange teardrop shape on the right side, a red textured shape on the left side, a small orange circle in the lower left, and a light blue bone-like shape in the lower right.

ANNUAL REPORT

OBJECTIVES & ACTIVITIES

Our mission is to inspire people with the passion and purpose of medicine and healthcare, past, present and future.

To deliver this mission, we use our unique collections and building as a foundation to:

- Inspire people with stories of the motivation, commitment and achievement that drives medical progress.
- Promote communities' and individuals' agency in shaping health, wellbeing and the future of medicine and healthcare.
- Enable people to participate in a public conversation about medicine and health.
- Provide a space in our shared stories for the under-represented and unheard.
- Provide a focus for researchers, people working in medicine, patients, decision-makers and the public to connect, share ideas, imagine and create a better future.

The pandemic has brought into focus the need for trusted public medical information and spaces – benefits that a museum like ours can offer.

Our world has changed significantly. Not only are questions of public health and health inequalities more starkly in people's consciousness but also our communities face greater economic challenges. At the same time demands for equity and access are amplified.

VISION

Our long-term vision for the museum is that, by 2030, the Thackray Museum of Medicine will have established itself as the leading medical museum in England.

- We will be at the heart a new kind of national museum that works hand in hand with communities across the country – part of a dynamic collaborative network of medical museum partners with strong local connections to communities.
- We will be recognised as an asset for meaningful change within our community and across the wider region – helping people find ways to make communities healthier and better places to live, supporting economic growth and promoting equity and access.
- We will have established the museum as a centre of excellence for research for the benefit of all.
- We will be governed and managed in an open, inclusive and equal way, representing and sharing decision-making with our communities, across the whole range of our operations.
- We will be a commercially resilient and entrepreneurial museum that delivers excellent value for its public alongside real economic benefits for the region.

OBJECTIVES & ACTIVITIES

EMERGE, ADAPT & DEFINE

To achieve this vision, our immediate strategic objectives are to:

Emerge from the pandemic – re-opening our newly refurbished museum; relaunching our learning and public programmes; reconnecting with our local communities; re-launching our conferencing and trading activities and achieving the strongest possible financial position for future sustainability.

Adapt to the new conditions and market – using digital and data to be more effective and to engage with more people; opening up access to our collections and programmes online; rolling out a new fundraising strategy; actively engaging with the new cultural, civic and political leadership of the region and re-establishing a UK-wide network of medical specialist collections.

Define – building greater equity and diversity in our governance, team and programmes; extending representation of under-served communities in our collections and exhibitions; rolling out a new research strategy and ensuring our plans are fully aligned with the investment principles of our key stakeholders (particularly Arts Council England’s Let’s Create strategy), relating to relevance and inclusivity, excellence and quality and meaningful benefits for our communities and wider region.

PRINCIPAL ACTIVITIES

Our strategy is underpinned by three main areas of activity:

Caring for our Collections – managing, preserving, documenting and making accessible a unique resource for learning, research and public inspiration.

Building our Audiences – collaborating with communities to co-produce museum exhibits and activities to ensure greater representation of our diverse public, developing learning opportunities and resources, public programmes, volunteering programmes, activities and communication to encourage more people to visit the museum and delivering outreach programmes and partnerships to take the museum to harder to reach communities.

Sustaining our Organisation – carrying out commercial activities, including conferencing, a museum shop and café and operation of our car park; fundraising and developing projects to improve the museum’s public offer and resilience.

ACHIEVEMENTS & PERFORMANCE

CARING FOR OUR COLLECTIONS

Together, our collection of historic objects, archive and library comprise the principal heritage asset of the museum through which it can meet its charitable objectives and mission. The museum's collection contains over 50,000 objects, and some 23,000 written works covering all aspects of the history of medicine. The museum collections are classified by a wide range of medical specialities. Within these classifications, our key collections strengths are in medical supplies and surgical equipment, apothecary trades and archives. Notable nationally and internationally significant collections include the archives of the Thackray and a number of other medical companies, the principal national collection of medical trades catalogues, prosthetics, audiology, surgical equipment, apothecary tokens and jars. Items range in size from micro-implants to x-ray machines and, while the focus tends to be on the UK, medical traditions represented in the collection range from early Roman medicine to medieval Arab apothecaries and contemporary Chinese acupuncture.

The Wilkinson Collection of apothecary jars held by the museum is of particular note – recognised as containing the single most important and extensive collection of English delftware apothecary jars in the world – among a collection charting five centuries of Middle-Eastern and European Apothecary practice.

The largest part of the heritage assets owned by the museum comprise an inalienable museum collection, managed within the constraints of Arts Council England standards for accredited museums and the Museums Association Code of Ethics for Museums (2015). Disposal of individual items can only be done under strictly controlled circumstances and use of any monies generated through disposal is highly restricted. In the opinion of the Board of Trustees, due to the historic and unique nature of the assets concerned conventional valuation approaches lack sufficient reliability. Furthermore, disclosure of specific valuations is deemed contrary to the Museum's purpose of safeguarding the security of the collections and promoting their historic importance. As a consequence, the value of heritage assets has not been included in the financial statements.

Additions to the collection (disclosed in note 13) during the year are not considered to be of material financial value.

RATIONALISING OUR COLLECTION RESPONSIBLY

In line with the Code of Ethics and the Disposal Toolkit, the Trustees have adopted the following policy as regards to the disposal of any items in its collection:

The item must first be offered to a registered Museum of a similar nature;

The item must then be offered to any other registered Museum;

Possible donation of items to other public institutions will be considered if no Museum is able to accept them.

If, after the above steps have been carried out, the item has not been disposed of the Museum may offer it for sale. Monies raised from such a sale must be devoted to the purchase of further acquisitions or to the care of the collections, or to be donated to a registered Museum of a similar nature for expenditure on their collections.

Thanks to National Portfolio Organisation funding from Arts Council England, we have been able to continue an accelerated programme of collections management and rationalisation to improve our standards of collections care, access and documentation and to address a substantial backlog.

In 2020, as part of its ongoing collections rationalisation, the museum disposed of 140 items. These were either damaged beyond repair, contained hazardous material or else represented duplicates of items well-represented within the collection by objects of better condition and/

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or provenance. Their disposal was processed and documented following the procedure above.

In 2020, 311 objects were acquired for the museum's collection.

Highlights included:

- 20th century Callipers worn by a man who had polio as a child.
- Contemporary COVID-19 materials, including a bottle from the vaccines dispensed from our building.
- Contemporary materials linked to PReP and HIV.
- Contemporary pregnancy tests.
- Contemporary materials linked to sexual health.

In 2019-2020, we updated our Collections Development Policy. This was a collaborative process with heritage, academic and community partners as well as staff and trustees attending workshops to make the CDP as inclusive as possible. As part of our new CDP we clarified what we do and do not collect as well the circumstances in which acquisitions and disposals will be made. We now focus on a "Leeds lens" approach to collecting global history of medicine as well as making commitments to contemporary collecting and representing diverse communities and histories. Each year we will review our collecting priorities for the forthcoming year.

In 2020, we focused on contemporary collecting linked to the new galleries as well as COVID-19 collecting. Taking advice from the contemporary collecting group we had a COVID-19 collecting strategy to ensure we captured the global pandemic but did not duplicate other institutions' collections. In 2020, we agreed that in 2021, we would continue to collect material linked to COVID-19, sexual health, prosthetics and chronic conditions and we will start to collect material relating to our forthcoming temporary exhibitions and programmes including dementia, menstruation, blood, robotics and sport medicine. Improvements in storage and documentation systems have helped us to continue to provide better access to our collections, supporting research such as the ongoing Oxford

Knee Archive doctoral research project, access for academics, artists and broadcasters as well as individual enquiries from members of the public. We have been able to support other museums through lending four objects to the Anaesthetics Association. Other lending has been put on hold due to COVID-19.

BUILDING OUR AUDIENCES

Since the museum's planned closure for refurbishment in 2019, audience development has focussed on three areas:

- Intensive collaboration with local organisations to ensure better representation of our public through co-created content for the new museum.
- Outreach to maintain public awareness of and interest in the museum through establishing a mobile and pop-up presence, principally with our Emergency Museum.
- Evaluation and audience research to inform the museum re-development and support future growth.

Our audience strategy continued into the first quarter of 2020, with our Emergency Museum visiting 22 different local events and venues and 555 people attending outreach activities. However, the additional public restrictions brought about in March, following the COVID-19 outbreak meant that this audience development strategy had to be further adapted:

- Co-creation work in the main needed to be moved online.
- Outreach was suspended as community venues and events closed or imposed new restrictions.
- Opportunities for audience research became more limited.
- New opportunities opened up for digital engagement.

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Subsequently the museum took the decision to mothball its physical outreach programme, including the Emergency Museum and focus on digital activity. This included an increased focus on engagement through social media; creation and roll-out of a new Health Heroes microsite; development of streamed digital workshops, including writing for mental health and Sew Your Feelings; moving our Insights medical history lectures online; participation in collaborative projects such as Bags of Creativity, distributing resources to over 9,000 young people at home and the More Than Oliver Twist online workhouse exhibition and development of a new #ThackrayOnline brand for public programming and digital learning.

LEARNING

There were no learning visits to the museum during 2020. Our outreach programme to schools continued into the earliest part of the year (with 25 sessions, including c. 1300 participants) but was soon suspended due to COVID-19.

For the remaining part of the year our focus was on developing digital learning content. This included producing videos, developing live-streamed schools workshops and developing our #ThackrayOnline digital programme.

Our digital learning programme received support in the form of a £23K grant from the Museums Association's Esmée Fairbairn Collections Fund to pilot digital engagement and develop our in-house capacity. The resulting project, Open Wide, developed a series of 360 degree virtual tours of our Victorian Street and an interactive 3D model of Prince Albert's medicine chest, both sets of resources to be used by schools. Production of these was carried out in 2020 and they are due to be rolled out to schools in 2021.

VOLUNTEERING

Our work with volunteers is extremely important in representing and including people to co-create our programmes and content as well as in practical aspects of delivery and we are extremely grateful for the breadth of skills and ideas which volunteers bring. This is reflected in our volunteering policy and procedures.

2020 presented limited opportunities for volunteering, with most activity taking place online. In total 38 volunteers supported the museum remotely during 2020 (contributing c. 500 hours of time) – including:

- 18 volunteers researched the history of the Leeds Union Workhouse (the museum building) as part of the 'More than Oliver Twist' project, contributing to an online exhibition launched in November 2020.
- 8 volunteers in the museum's sewing group used WhatsApp to coordinate production of a replica embroidery for display in the museum.
- 12 volunteers formed the close-knit 'Sew Your Feelings' circle of volunteers who met fortnightly via Zoom to socialise and stitch, taking their inspiration from museum objects.

In December 2020 a new Volunteer Coordinator was appointed with a brief to create new volunteering pathways to and from the museum. Having learned from our experience of the pandemic, our new programme will offer a mixture of traditional onsite opportunities and digital volunteering roles.

SOCIAL MEDIA

Social media became an increasingly important part of our public engagement during 2020. By the end of 2020, across the four platforms targeted by the museum, we had organically grown our social media following to c. 12,280 followers (representing net annual growth of c. 18%).

Overwhelmingly the content that has provoked the most reaction and engagement across our platforms has been stories relating to the museum hosting a vaccination centre.

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SUSTAINING OUR ORGANISATION

Financial performance is detailed in the attached financial statements, which have been prepared to comply with the Companies Act 2006, the Financial Reporting standard applicable in the UK and Republic of Ireland (FRS102) and the Accounting and Reporting by Charities: Statement of Recommended Practice (effective 1 January 2019) (Charities SORP (FRS102)). The movement in funds is shown on the Statement of Financial Activities on page 27. A brief commentary on financial performance is contained in the Financial Review on page 20.

With reference to the charitable requirement that the benefit provided by the museum is to the public, the Annual Report describes the primary groups of people who benefit from its work and demonstrates that those benefits are not restricted by opening times, accessibility or ability to pay. The Trustees, in making decisions around public benefit, have due regard to the Charity Commission's public benefit guidance.

This Trustees report also fulfils the criteria of a strategic report.

FUNDRAISING AND DEVELOPMENT

As an independent museum, we rely on admission charges, commercial activities and the generous support of a wide variety of organisations and individuals.

In accordance with the Charities Act 2011, as amended in 2016, the Trustees report that the museum strictly adheres to the Fundraising Regulator's code of fundraising practice and all relevant Institute of Fundraising guidance including Treating Donors Fairly guidance. The Director of Development and Communications coordinates our fundraising activity and ensures the highest standards of fundraising practice. In April 2021, the museum adopted a new Ethical Fundraising Policy. We did not receive any complaints in relation to fundraising in the year.

In 2020, many people and organisations supported the museum. We are delighted to acknowledge the continued support of funders for our capital project, including the National Lottery Heritage Fund, Arts Council

England, Thackray Medical Research Trust, Wellcome Trust, Wolfson Foundation, Garfield Weston Foundation, Charles Hayward Foundation and Foyle Foundation.

In 2020, we successfully closed the capital fundraising campaign with a second grant from the Garfield Weston Foundation, funding from the Leeds City Council Inner East Community Committee and the Sackler Trust.

During 2020, the museum was able to secure its financial position and ensure survival beyond the COVID-19 pandemic thanks to emergency funding from Arts Council England, The National Lottery Heritage Fund, The Thackray Medical Research Trust and The Wolfson Foundation.

In addition, the museum was pleased to receive a grant from the Museums Association's Esmée Fairbairn Collections Fund to kick start a new digital learning programme. We also secured a commitment to corporate sponsorship from One Medical Group for a new lecture series (launching in 2021).

Further detail on museum development can be found on page 13.

COMMERCIAL ACTIVITY

Under normal circumstances, Trustees continue to focus on ensuring the museum optimises its commercial income in order to increase sustainability and resilience through the operation of the museum's trading subsidiary (The Medical Museum Trading Company Limited). Principal trading activities include conferencing and events, retail, cafe and the operation of our car park.

However, 2020 was an extremely atypical year in that planned public closure during the earlier part of the year was further impacted by forced closure during the latter part as well as the forced suspension of trading activities due to the continued impact of the COVID-19 pandemic.

As a result, commercial income totalled just £102,198 in 2020 (2019: £295,083) which makes up around 6% of unrestricted income.

In 2020, we saw a dramatic cessation of conference business during the first COVID-19 lockdown and subsequent special measures and restrictions

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(including additional restrictions on conferences and meetings).

While we were able to secure some isolated bookings for permitted uses of our conference space during the period, these were limited and also further constrained by the need to provide social distancing (reducing capacity by c. 75%).

As a result, the team had to show a great deal of agility and flexibility, to secure what business was available. This responsiveness paid off in December 2020, when the museum was able to respond positively to a request from the Leeds Teaching Hospitals Trust to host a COVID-19 vaccination centre for the first wave of vaccinations for frontline and NHS staff and higher risk groups. Initially planned for four months, this programme was extended to 31 May 2021 and will help to offset the continued impact of COVID-19-related reduction in conference income.

In total, the impact of COVID-19 reduced conference delegate numbers in 2020 to 947 (2019: 12,024). Income from conference room hire and catering decreased to £25,033 in 2020 (2019: £101,388).

Car parking was also significantly impacted during the pandemic. During the first lockdown, in anticipation of pressure on our NHS neighbours, we suspended parking charges to allow hospital staff to use the car park (also briefly to allow food distribution by a local supermarket). Subsequent to the lockdown, we have continued to operate the car park – however income has been reduced due both to the continued closure of the museum and also continued pressure on neighbouring hospital car parks, leading to occasional unregulated overspill. Car parking income in 2020 decreased to £76,833 (2019: £174,377).

No retail operations were possible during the year. However, we took the opportunity of closure to install a new shop and prepare a new retail strategy, with a tighter focus on the market, fewer lines and more commercial targets for stockturn and profitability. We have appointed a new retail manager, established our new range and created a new online shop, due to be rolled out with the museum re-opening in the summer

of 2021. As at the 31st December 2020 shop stock was valued at £8,265 (2018: £1,305).

CORONAVIRUS BUSINESS SUPPORT

Following the March 2020 Budget, the museum was able to make use of a number of additional measures to support business to offset the commercial impact of COVID-19 described above.

These included:

- Furlough and partial or flexible furlough of staff members under the Coronavirus Job Retention Scheme. Under this scheme, the museum received £91,794 from HMRC during 2020.
- Suspension of Business Rates – the museum made a contribution of £6,615 during 2020 (£26,613 in 2019).
- Securing a £250,000 Coronavirus Business Interruption Loan Scheme (CBILS) loan.
- Successful application to a number of sector-specific funds administered on behalf of DCMS by the Heritage Fund and Arts Council England, including the Heritage Emergency Fund and Culture Recovery Fund (for operational funding) and the Kickstart Fund (for capital funding).

RESERVES POLICY

The charity's acquisition and development of its building and museum displays were financed by grants and gifts, which could be used only for specific purposes. Certain subsequent grants are similarly subject to donor-imposed conditions. To ensure these conditions are not breached, these grants and donations are segregated as 'restricted funds'. The policy of the Trustees is to pursue opportunities to secure further funds of this nature which can be used to continue the development of the museum. The amount of restricted funds at 31 December 2020 was £5,413,711 (31 December 2019: £5,279,270).

ACHIEVEMENTS & PERFORMANCE

Each year, when the financial statements are being prepared, the Trustees review the general fund in the light of any planned exceptional or unusual expenditure. Where they consider amounts that should be earmarked for such future expenditure, transfers are made from general reserve to 'designated funds', where sufficient funds are available. In the financial statements at 31 December 2020, there are two such designated funds:

- The museum development and maintenance fund, to meet costs expected to be incurred in future periods in investigating the options available for the expansion of the museum. The balance on this fund at 31 December 2020 was £1,001 (2019: £1,001).
- The COVID-19 resilience fund, established to hold the surplus of grants and other funds received in 2020 as a direct result of the COVID-19 pandemic, some of which the museum will expend during 2021. The balance on this fund at 31 December 2020 was £552,330 (2019: £nil).

The Trustees are keenly aware of the need to maintain the viability of the museum beyond the immediate future. Their policy is to seek to build the charity's general reserve, beyond a fixed level of 3 months' operational costs to generate surplus that the Trustees will be able to use at their discretion in furtherance of the charity's objectives. At the end of 2020, a reserve of £250,000 is equivalent to three months' operational costs.

The balance of general reserves at 31 December 2020, after transfers from designated funds, was £160,784 (2019: £5,620). This is a shortfall against its target of £250,000 of £89,216. Included within the £160,784 of general reserves is £24,712 of tangible fixed assets, which leaves £136,072 of free reserves. The plans to cover this shortfall rest in the step change which *A Healthy Future* provides for the Museum, with increased financial stability and resilience. Much of the COVID-19 resilience designated fund will be utilised during 2021, through investment to improve financial resilience and to meet general costs vs income shortfalls, although we intend to maintain a value of approximately £250,000 in this fund to ensure that we can weather any future storms. In 2021, the museum made a successful application to the second round of the Arts Council England's Cultural Resilience Fund which further secures our financial viability.

The balance of general reserves is net of a £203,397 surplus in the charity and a £42,613 deficit in its trading subsidiary. The trading subsidiary usually retains surpluses to the extent that its directors consider necessary to provide working capital for its business, and any remaining surpluses are donated by Gift Aid into the charity's general reserve. In 2020, the loss of income due to the COVID-19 pandemic has meant that the trading subsidiary has eroded its general reserve, finishing the year in a deficit position. As a result, no gift aid donation will be made into the charity's general reserve.

INVESTMENT POLICY

The Trustees have considered the most appropriate policy for the investment funds and have decided that, given the fluctuations in working capital requirements, investment in an interest-bearing deposit account is the most appropriate policy. When available, these funds are placed with institutions that are covered by the Financial Services Compensation Scheme ('FSCS') and the limit with any individual institution is maintained below the limit for the FSCS.

RISK MANAGEMENT AND THE RISK AND AUDIT COMMITTEE

The Trustees have given consideration to the major risks to which the group is exposed and systems deployed to manage those risks. The major risks identified by the Trustees include financial sustainability, risks to the collection and building, risks associated with the nature of the collection (including controlled drugs, hazardous materials and human remains), safeguarding of children and vulnerable people using the museum's programmes and risks pertaining to the general safety and welfare of the museum's public, volunteers and staff.

The Risk and Audit Committee, which is a committee of the board, met four times during the period and reported on its findings to the Board of Trustees after each meeting. Substantial progress was made during the year in improving the processes for assessing and controlling risks within the organisation, including mechanisms for managing cash headroom.

GOING CONCERN & PLANS FOR FUTURE PERIODS, INCLUDING POST BALANCE SHEET EVENTS

2020 was an extraordinary year for the Museum. It completed a £4 million redevelopment project (aptly named *A Healthy Future*) comprising building works, new public access and facilities and a refurbishment of all of our exhibits with 11 galleries being refreshed, redesigned and reimaged.

The main construction and fit out works for *A Healthy Future* completed in November 2020. The programme included an extension of time due partly to the COVID-19 lockdown in the earlier part of the year and partly to reduced efficiencies as a result of social distancing requirements when construction resumed and supply chain issues arising from the crisis. Despite the challenges of completing a major project during the pandemic, the design team, contractors and Museum worked well together to find practical solutions to allow the project to complete. The Museum also benefitted from the continued support from its funders for the project – particularly the Thackray Medical Research Trust and National Lottery Heritage Fund, both of whom provided additional funds to offset the cost impact of the delay.

The pandemic also impacted on our plans for *A Healthy Future* activities during the year, including our planned school outreach and community outreach with the Emergency Museum. The larger part of these were cancelled due to COVID-19 restrictions and the focus of the Museum's engagement team has been to develop digital outreach and activities.

The combination of planned and unplanned business interruption, external pressures and uncertainty experienced by the organisation in 2020 was without precedent. Throughout the year, the team (at times reduced to a skeleton crew and for the larger part working remotely or under restricted COVID-safe conditions) worked hard to maintain a balance of serving the interests of the charity's beneficiaries through protecting the heritage assets and ensuring continuity of the capital works and programmes where possible, while at the same time doing what we could to support the wider communal effort against COVID-19. This included practical

support for hospital staff, promotion of public health messages and hosting vaccination trials and the public vaccination programme.

Thanks to generous support from both the Government's coronavirus measures and culture funding (described above) and from various grants secured from funders such as the Thackray Medical Research Trust and Wolfson Foundation, the Museum has been able to cover its operating costs for the year, secure finance to provide a sustainable position for an uncertain 2021 and reflate its reserves. This relative financial security, along with successful delivery of a major capital project during an extremely volatile period should be considered as significant successes.

The Museum's focus is now on publicly launching our newly refurbished galleries and our new programme from May 2021. The fundamental purpose of *A Healthy Future* is to provide a platform to enable the Museum to meet its strategic aims – securing our heritage asset, engaging with more people to better effect and creating a sustainable business for the future. With the ongoing changes to the wider operating environment and market engendered by the pandemic, the Museum has recast its business plan to reflect the new conditions and opportunities presented.

In particular the new business plan reflects the following:

- A greater emphasis on local and repeat visitors as our core business in the short to medium term.
- Building greater resilience and flexibility into our operational structure.
- Developing a better digital and blended offer to reflect changing audience needs.
- Rolling out a new fundraising strategy with greater emphasis on securing unrestricted funding.

GOING CONCERN & PLANS FOR FUTURE PERIODS, INCLUDING POST BALANCE SHEET EVENTS

- Giving even greater priority to diversity and equity to better align with our funders' investment priorities (including the *Let's Create* Strategy) and wider public interests.
- Securing a new five-year funding agreement with the Thackray Medical Research Trust, supported by a new five-year Research Strategy and Action Plan.
- Establishing the Museum as a key player in a wider national conversation about the importance and future of medical collections, with a view to securing longer-term investment in the UK's medical heritage.
- Continuing to secure our status as an Arts Council England National Portfolio Organisation, including making successful business cases for the additional 2022/23 NPO funding made available in response to the pandemic and for the main 2023-27 NPO round (applications due to be lodged Jan-Mar 2022).

Our *Emerge, Adapt and Define* strategy comprises the first phase of this new business plan. It seeks to build on the twin foundations of a strong new public offer and the relative financial security achieved through fundraising and careful financial management in 2020 to re-establish our market and grow new audiences and revenue streams, supported by a prudent, realistic and achievable financial model.

Taking all of the above into account, the Trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual accounts.

STRUCTURE, GOVERNANCE, REFERENCE & ADMINISTRATION

Reference and administrative details of the company,
its trustees and advisors for the year ended 31 December 2020

TRUSTEES	Cornelius (Neil) Kaiper-Holmes (Chairman) Steven Clegg Andrew Fotherby Mark Goldstone Dean Jowett Philip Quirke (resigned 20 April 2021) John Roles (resigned 18 November 2020) Nosober Latif Sharon Heal Simon Kay Joanna Norry (appointed 24 March 2020)	COMPANY SECRETARY	Rachel Emmott
		CHIEF EXECUTIVE OFFICER	Nathan Edwards
		INDEPENDENT AUDITOR	Saffery Champness LLP Mitre House North Park Road Harrogate, HG1 5RX
COMPANY REG. N°	02772412	PRINCIPAL BANKERS	Yorkshire Bank PLC 94–96 Briggate Leeds, LS1 6NP
CHARITY REG. N°	1016169		
REGISTERED OFFICE	Beckett Street Leeds, LS9 7LN		

STRUCTURE, GOVERNANCE, REFERENCE & ADMINISTRATION

STRUCTURE

The Thackray Medical Museum Company Limited is a company incorporated under the Companies Act (registered company number 02772412) which is registered as a charity (registered charity number 1016169). Its registered office is Beckett Street, Leeds, LS9 7LN. The Thackray Medical Museum Company Limited is governed by its Memorandum and Articles (updated on 2 April 2020) which specify its objects as:

- a. to advance the understanding of the public at large of medicine and healthcare through the operation and maintenance of a Museum in or near to Leeds with a particular focus on past, present and future developments of medical technologies, supplies and innovations and of the diverse individuals who contribute or have contributed to such developments; and
- b. to educate the public:
 - (i) by acquiring, preserving, enhancing, managing and displaying to the public, the museum collection comprising medical and associated objects and equipment, archives, printed materials and ephemera and
 - (ii) providing a research facility for the history of medicine and medical supply trades.

The company has a subsidiary company, The Medical Museum Trading Company Limited, which carries on commercial activities ancillary to the charitable activities of its parent company.

GOVERNANCE & MANAGEMENT

The governance of the group is the responsibility of the charity's Board of Trustees which meets at least quarterly under the chairmanship of Neil Kaiper-Holmes.

During 2020, board sub-committees met as follows:

The Risk & Audit Committee met four times under the chairmanship of Steven Clegg.

The Capital Development sub-committee met formally 12 times under the chairmanship of Andrew Fotherby.

The Collections, Research and Learning sub-committee met four times under the chairmanship of Philip Quirke.

The Remuneration sub-committee met once under the chairmanship of Sharon Heal.

The Board of Trustees, the Risk and Audit Committee and other sub-committees are governed by Terms of Reference. These terms set out the remit of each committee, including the hierarchy of decision-making and criteria for devolvement of decisions to the executive team.

As part of the budget setting process for 2020, the Remuneration Committee considered the remuneration of the charity's key personnel and made any recommendations on alterations to this remuneration to the Main Board. Any major changes to the organisational structure, a role or any new appointments to the leadership or executive team are considered by the Main Board, usually after consideration by a relevant sub-committee.

STRUCTURE, GOVERNANCE, REFERENCE & ADMINISTRATION

Members of the executive team as at 31 December 2020 were:

Nathan Edwards, Chief Executive Officer

Rachel Emmott, Finance Director and Chief Operating Officer

Susan Mackay, Collections and Programming Director

Sofi Lundgren, Director of Communications and Development

RECRUITMENT & APPOINTMENT OF TRUSTEES

The Trustees may from time to time appoint further Trustees. Trustees are appointed to remain in office until the 3rd AGM (Succession meeting) after their appointment, and can be reappointed for a further similar term.

The Trustees from time to time conduct a skills review of the Board of Trustees to assist in informing the board in the selection of new Trustees. A formal and transparent process is in place to formally advertise for new Trustees and ensure that we are able to get applications from as wide a range of potential candidates as possible. Candidates are reviewed by a panel comprising of at least two Trustees, or the Chairman and the CEO who make a formal recommendation to the Board of Trustees regarding the appointment of new Trustees.

TRUSTEE INDUCTION & TRAINING POLICY

The Trustees have adopted the following policy for the induction and training of Trustees:

New Trustees will be issued with an information pack.

The information pack will include

- A copy of 'Responsibilities of Charity Trustees' (CC3) from the Charity Commission
- A copy of the museum's key documents
- The most recent annual report and accounts
- The business plan
- Two sets of previous board papers; and
- Other background information about the museum.

New Trustees will have an induction meeting with the Chairman and the museum's CEO. They will also have a tour of the museum and premises. Trustees will, from time to time, attend training courses as agreed by the Board of Trustees.

All Trustees and the Board as a whole will undertake an annual review of Board and individual Trustee effectiveness. The Chairman carries out the review of all Trustees, and the CEO and one Trustee carry out the review of the Chairman.

STRUCTURE, GOVERNANCE, REFERENCE & ADMINISTRATION

RELATED PARTIES

The charity has two significant related parties, the Thackray Medical Research Trust (TMRT) and the Friends of the Thackray Medical Museum.

The principal activities of the TMRT are to support the establishment of a medical museum in Leeds and to promote research into the history of the medical supply trade.

During the year the Museum received the following from the TMRT:

- An annual support grant of £165,000;
- £50,000 of financial support towards capital project management and fundraising staff costs;
- £188,110 of unrestricted funding in response to the COVID pandemic and its impact on the museum's ability to raise income to meet costs;
- £111,890 of restricted funding towards *A Healthy Future* capital project (in addition to £700,000 of capital project funding received in 2019);
- £21,096 towards the implementation of the new collections management system (out of a total £50,000 project being supported in full by the TMRT), and
- £70,000 of restricted funding towards The Nerve Centre.

The Friends of the Thackray Medical Museum disbanded their committee in 2020 and transferred their funds to the Museum. £10,000 was allocated from the Friends as a contribution towards *A Healthy Future*. A full relaunch of the Friends of the Thackray Museum of Medicine will take place in 2021, along with a new Patrons scheme launch. The Museum is grateful for the ongoing support of its existing Friends and continues to work with them on the Insights lecture series and other events.

GOVERNING DOCUMENT, OBJECTS & ACTIVITIES FOR PUBLIC BENEFIT

The charity's governing documents and objects are set out in the structure section above. These objects are achieved by the operation of a museum and a resource centre, giving access to the collection and supporting the study of the history of medicine.

With reference to the charitable requirement that there are identifiable benefits, the Chairman's Statement and Review of Museum Activities:

- Explain the museum's purpose and the strategies adopted to achieve it;
- Report on the museum's activities and provide a clear statement of the benefits received by the public from those activities having been undertaken;
- Show that activities always balance the potential detriment to the museum or its collection with the potential benefit to the public.

INDEPENDENT AUDITORS

Saffery Champness have expressed their willingness to remain in office as auditors.



**This report was approved by the Board of Trustees
on 20 July 2021 and signed on their behalf by
C. Kaiper-Holmes (Chairman)**

The background is a dark teal color. It features several abstract, colorful shapes: a large orange wavy shape at the top left, a small orange circle below it, a light blue eye-like shape at the top right, a teal diagonal shape with a jagged bottom edge at the bottom left, a blue flame-like shape at the bottom left corner, a large red crescent shape at the bottom right, and a small pink oval at the bottom right.

ACCOUNTS

FINANCIAL REVIEW

The Trustees present their report and audited financial statements of the charity and group for the year ended 31 December 2020. The comparative figures cover the year ended 31 December 2019.

MOVEMENT IN TOTAL FUNDS

Total funds of the Museum and its trading subsidiary increased by £841,485 in the year to £6,127,826 at 31 December 2020. This compares with an increase in the previous period of £2,881,045. The main elements of the overall increase are:

- An increase in restricted funds of £133,991
- An increase in unrestricted general funds of £155,164
- An increase in unrestricted designated funds of £552,330

The Board of Trustees and Leadership Team of the Museum continually strive to maximise income opportunities whilst managing costs and mitigating the risks to the operation of the Museum. We continue to focus on generating income through our Museum and trading activities to meet costs.

We are grateful to the Thackray Medical Research Trust (TMRT) who continue to support us through a revenue grant, without which the Museum would face risk and uncertainty with regards to its operational viability. Revenue funding secured from Arts Council England through becoming one of their National Portfolio Organisations is fundamental to allowing the Museum to recruit and support key personnel to work towards our strategic aims.

The capital development project aims to redress the balance on the uncertainties we face over maintenance of the building, and to reduce the reliance we place on revenue funding from the TMRT by developing a robust and achievable business plan.

RESTRICTED FUNDS

Movements in restricted funds (set out in note 18 to the financial statements) broadly fall into two categories:

- Receipts of grants, donations and sponsorship monies for specific projects less expenditure on the projects concerned
- Depreciation provision against the Museum buildings, certain galleries and exhibitions.

In this period, receipts for restricted fund projects totalled £491,822 (2019: £3,519,362). Expenditure on such projects was a net £378,073 (2019: £550,453). Restricted expenditure of £2,191,226 was capitalised during the year and an additional £1,070,522 was capitalised after being transferred from assets under construction. After a transfer of £20,242 from the general fund (2019: £nil), there was a net increase of restricted funds of £133,991 (2019: increase of £2,968,909).

The depreciation charge against the Museum buildings remains modest at £35,881.

FINANCIAL REVIEW

DESIGNATED FUNDS

The designated funds hold amounts set aside to meet the expected cost of exceptional or unusual projects planned for the future. During 2020, the charity designated £552,330 (2019: £nil) of its unrestricted general fund surplus towards the designated COVID resilience fund. This is a new fund which has been established to ensure that the COVID resilience funding generated in 2020 is expended on projects identified to increase financial resilience, and on meeting the shortfall between income and ongoing costs, where income has been adversely affected by COVID. During 2020, the charity expended £nil from its designated funds (2019: £nil) but expects to spend funds during 2021.

GENERAL FUND

The general fund is where the day-to-day operating activities of the Museum and its trading subsidiary are accounted for. The net result for the period on these activities, was an £155,164 increase compared with a £87,864 decrease for the previous period. The income and expenditure account on page 27 and related notes present the items which make up this result.

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

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

Companies law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure of the charitable company and the group for that period. In preparing the 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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



C. Kaiper-Holmes
Trustee



S. Clegg
Trustee

Date: 20 July 2021

INDEPENDENT AUDITORS' REPORT

OPINION

We have audited the financial statements of The Thackray Medical Museum Company Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise consolidated statement of financial activities, balance sheet, consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 December 2020 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group 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.

INDEPENDENT AUDITORS' REPORT

OTHER INFORMATION

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

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- adequate accounting records have not been kept by the parent charitable company, 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.

INDEPENDENT AUDITORS' REPORT

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities set out on page 22, the trustees (who are also the directors of the parent 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 the 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 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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

INDEPENDENT AUDITORS' REPORT

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006, tax legislation, The Charities Act 2011 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

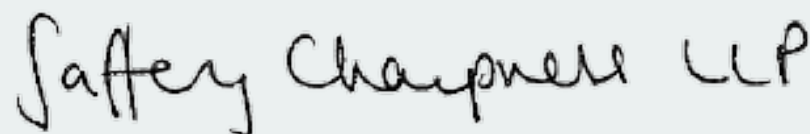
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above 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 would become aware of it. Also, 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 or intentional misrepresentations, or through collusion.

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

USE OF OUR REPORT

This report is made solely to the parent 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 parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sally Appleton (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

18 August 2021

Chartered Accountants
Statutory Auditors

Mitre House
North Park Road
Harrogate, HG1 5RX
North Yorkshire

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

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Income from:	Note	Unrestricted funds (£)	Designated funds (£)	Restricted funds (£)	Total funds 2020 (£)	Total funds 2019 (£)
Donations and legacies	3	403,153	-	62,743	465,896	290,382
Charitable activities	4	964,340	-	429,079	1,393,419	3,784,353
Other trading activities	5	102,198	-	-	102,198	295,083
Other	6	119,772	-	-	119,772	13,194
Total		1,589,463	-	491,822	2,081,285	4,383,012
Expenditure on:						
Raising funds	7	31,215	-	-	31,215	86,202
Charitable activities	8	830,512	-	342,192	1,172,704	1,379,884
Other expenditure	8	-	-	35,881	35,881	35,881
Total		861,727	-	378,073	1,239,800	1,501,967
Net income		727,736	-	113,749	841,485	2,881,045
Transfers between funds		(572,572)	552,330	20,242	-	-
Net movement in funds		155,164	552,330	133,991	841,485	2,881,045
Reconciliation of funds:						
Total funds brought forward		5,620	1,001	5,279,720	5,286,341	2,405,296
Total funds carried forward	18, 19	160,784	553,331	5,413,711	6,127,826	5,286,341

All amounts relate to continuing activities within the United Kingdom. There are no recognised gains and losses other than those included in the statement of financial activities.

The notes on pages 32 to 64 form part of these financial statements.

BALANCE SHEETS AT 31 DECEMBER 2020

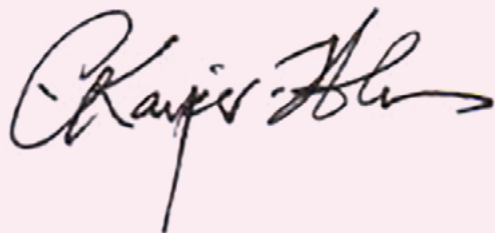
		GROUP		CHARITY	
	Note	2020 (£)	2019 (£)	2020 (£)	2019 (£)
Fixed assets					
Tangible: museum buildings and displays	12	5,204,068	3,142,060	5,204,059	3,142,071
Tangible: other	12	150,619	97,338	86,921	95,164
Investments	14	-	-	2	2
Total fixed assets		5,354,687	3,239,398	5,290,982	3,237,237
Current assets					
Stocks	15	8,265	1,305	-	-
Debtors	16	844,275	2,283,524	957,939	2,293,867
Cash at bank and in hand		1,061,702	205,859	1,035,205	157,500
Total current assets		1,914,242	2,490,688	1,993,144	2,451,367
Creditors: amounts falling due within one year	17	(937,399)	(443,745)	(909,986)	(434,045)
Net current assets		976,843	2,046,943	1,083,158	2,017,322
Total assets less current liabilities		6,331,530	5,286,341	6,364,140	5,254,559
Liabilities: amounts falling due in more than one year		(203,704)	-	(203,704)	-
Net Assets		6,127,826	5,286,341	6,170,436	5,254,559
The funds of the charity:					
Unrestricted income funds	19	714,115	6,621	756,725	(25,161)
Restricted funds	18	5,413,711	5,279,720	5,413,711	5,279,720
Total funds		6,127,826	5,286,341	6,170,436	5,254,559

Balance Sheets for The Thackray Medical Museum Company Ltd, company no. 02772412

BALANCE SHEETS AT 31 DECEMBER 2020

The Trustees have prepared group accounts in accordance with Section 398 of the Companies Act 2006 and Section 138 of the Charities Act 2011.

Approved by the board of Trustees on 20 July 2021 and signed on its behalf by: N. Kaiper-Holmes and S. Clegg. The notes on pages 32 to 64 form part of these financial statements.

A handwritten signature in black ink, appearing to read 'N. Kaiper-Holmes', written in a cursive style.

N. Kaiper-Holmes
Trustee

A handwritten signature in black ink, appearing to read 'S. Clegg', written in a cursive style.

S. Clegg
Trustee

STATEMENT OF CASH FLOWS & CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

		GROUP		CHARITY	
	Note	2020 (£)	2019 (£)	2020 (£)	2019 (£)
Cash flows from operating activities:					
Net cash generated by operating activities	24	2,823,343	1,036,701	2,782,987	1,087,997
Cash flows from investing activities:					
Interest income		251	470	251	470
Purchase of tangible fixed assets		(2,217,751)	(1,088,399)	(2,155,533)	(1,085,668)
Net cash provided by investing activities		(2,217,500)	(1,087,929)	(2,155,282)	(1,085,198)
Cash flows from financing activities:					
Proceeds from CBIL		250,000	-	250,000	-
Net cash provided by financing activities		250,000	-	250,000	-
Increase/(decrease) in cash and cash equivalents in the year		250,000	(51,227)	250,000	2,799
Cash and cash equivalents at the beginning of the year		205,859	257,086	157,500	154,701
Cash and cash equivalents at the end of the year		1,061,702	205,859	1,035,205	157,500

STATEMENT OF CASH FLOWS & CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP			CHARITY		
	Cash (£)	Debt (£)	Net debt (£)	Cash (£)	Debt (£)	Net debt (£)
Reconciliation of net debt						
Balance brought forward at 1st January 2020	205,859	-	205,859	157,500	-	157,500
Proceeds from CBIL	-	(250,000)	(250,000)	-	(250,000)	(250,000)
Cash generated	855,843	-	855,843	877,705	-	877,705
Balance carried forward at 31 December 2020	1,061,702	(250,000)	811,702	1,035,205	(250,000)	785,205

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The Thackray Medical Museum Company Limited meets the definition of a public benefit entity under FRS 102.

In adopting the going concern basis of accounting in preparing the annual accounts, the trustees have considered the following:

- The significant financial support secured towards the capital development project *A Healthy Future*, and the progression of the project to completion in 2020. This project will provide a step-change to the Museum's public appeal, thereby increasing the ability to generate income whilst securing aspects of the building fabric to mitigate future repairs costs.
- The ongoing support of the TMRT, who have contributed significant sums towards both the capital project and ongoing revenue funding. The Trustees have worked with the TMRT to draft a new Memorandum of Understanding, supported by a new 5-year Research Strategy, to secure continued support over the next period.
- The continuing support of the Arts Council England through a 12-month extension to their current funding round, enabling the Museum to access NPO funding to March 2023. This funding is vital to support a number of pivotal roles and work streams.
- The steps taken by the Museum to mitigate the effects of the Covid-19 crisis were swift and efficient, and include the furlough of 60% of Museum staff, as well as securing a Covid Business Interruption Loan

(CBIL) worth £250,000 from Yorkshire Bank, which will help to secure operations until the end of 2021. The loan will be repaid under the CBIL terms such that it is repaid in full by the end of 2025. In addition, the Museum has been successful in securing COVID-related emergency funding from the TMRT (£188,110 to cover operational impacts during the pandemic), the National Lottery Heritage Fund (£150,600 from their Heritage Emergency Fund and £174,600 from the COVID Kickstart fund to support additional capital project costs), Arts Council England (£527,966 from rounds 1 and 2 of the Cultural Resilience Fund to cover additional operating costs and COVID resilience from Oct 2020 – June 2021) and the Wolfson Foundation (£120,000 to support COVID recovery).

- The development and utilisation of robust financial forecasts which consider a variety of scenarios and which include the ability to flex staffing and certain other costs in line with income. Cash forecasting between restricted and unrestricted funds is at the heart of this forecast, to ensure that the Museum can meet its liabilities as they fall due. Cash is forecast to remain positive throughout 2021, with an anticipated balance of £450,000 at the end of 2021 and no less than £300,000 throughout 2022 and 2023.
- The Museum expects to return a surplus on its unrestricted fund in 2021, and to generate a surplus year on year thereafter.

The Trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual accounts.

NOTES TO THE FINANCIAL STATEMENTS

BASIS OF CONSOLIDATION

The consolidated accounts incorporate the accounts of the charity and its wholly-owned subsidiary undertaking. The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Income and Expenditure account in these financial statements. The group result for the year includes a surplus of £915,879 (2019: surplus £2,796,995) which is dealt with in the financial statements of the charity. A separate Statement of Financial Activities for the charity is not considered necessary because the activities of the charity and the wholly owned subsidiary undertaking are easily distinguished within the consolidated Statement of Financial Activities.

FUND ACCOUNTING

As explained in the section of the Trustees' Report on reserves policy, the group's sources of finance are segregated between restricted funds (the use of which is limited by donor-imposed conditions) and unrestricted funds (which the Trustees may use at their discretion in the furtherance of the objects of the charity).

Unrestricted funds are held in the general reserve except to the extent that the Trustees consider it appropriate to make transfers to designated funds to meet the expected cost of exceptional or unusual projects planned for the future. As costs on such projects are incurred, they are charged against the designated fund and a transfer is made to the general fund from the designated fund to the extent that the fund proves sufficient. If the project costs less than the amount in the designated fund, any surplus is transferred back to the general fund.

The group's accounting systems allocate all income, expenditure, assets, liabilities and reserves between these funds. The consolidated statement of financial activities shows separately the income, expenditure and any transfers relating to restricted funds, designated funds and general reserves. Assets and liabilities attributed to each fund are disclosed in the notes to the financial statements.

INCOMING RESOURCES

All incoming resources are included in the statement of financial activities when the charity is entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

I) GRANTS RECEIVABLE

Grants are credited to the Statement of Financial Activities when they are receivable. Grants that are awarded for specific purposes are treated as restricted incoming resources.

Grants received for acquisition of fixed assets are accounted for as restricted funds when the recognition criteria are met. The restricted fund is reduced by the depreciation or amortisation charges made over the expected useful life of the asset concerned.

Grants where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant. Where applicable, grants receivable for which cash has not yet been realised are shown as accrued income and is included within debtors. If any grants are received in advance of a period to which they relate, then the amount of the grant, which relates to the future periods is shown as deferred grants and is included within creditors.

Grants where the income is related to performance and specific deliverables are accounted for as the charity earns the right to consideration by its performance. Government grants received in relation to the Coronavirus Job Retention Scheme are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grants conditions will be met and the grants will be received.

II) COMMERCIAL INCOME

Income from commercial trading activities is recognised as earned (as the related goods and services are provided).

NOTES TO THE FINANCIAL STATEMENTS

III) ADMISSION INCOME

Represents amounts receivable from visits during the year, including any relevant gift aid tax recoveries but excluding value added tax.

IV) VOLUNTEERS

Any donation by volunteers of goods or services in kind is not incorporated into these financial statements.

RESOURCES EXPENDED

Resources expended are recognised in the period in which they are incurred. Resources expended include related value added tax, which cannot be recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income and those incurred in trading activities that raise funds.
- Charitable activities comprise those costs incurred by the charity in the delivery of its activities and services associated with the operation of a Museum. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those 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 categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly while others are apportioned on an appropriate basis. Staff costs and other overheads have been charged across the different categories of costs on reasonable bases such as approximate time spent or percentage of floor area.

EXHIBITION COSTS

The costs of establishing new galleries and exhibitions are capitalised and depreciated over their useful economic lives. Costs associated with the refurbishment/maintenance of galleries and temporary exhibitions are written-off to the statement of financial activities in the year within which the costs are incurred.

PENSION COSTS

The charity operates a group personal pension plan scheme for several employees. The contributions payable for the year are charged to the Statement of Financial Activities.

TAXATION

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

STOCKS

Stocks are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in first out basis. Net realisable value is based on estimated selling price.

HERITAGE ASSETS

Heritage assets are the tangible assets of the Museum that are of historical importance and are held to advance the preservation, conservation and educational objectives of the Museum and through public access contribute to the nation's culture and education.

Details of the Museum's Collection are included on page 7 of the Annual Report.

Due to the historic and unique nature of the assets concerned, conventional valuation approaches lack sufficient reliability. As a consequence, the value of heritage assets has not been included in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

ACQUISITION, PRESERVATION, MANAGEMENT AND DISPOSAL OF HERITAGE ASSETS

Future acquisition would be made by donation or purchase. The Trustees do not currently intend to dispose of any of the heritage assets held.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated in the balance sheet at cost less depreciation.

Assets under construction are brought onto the balance sheet at cost. They are not depreciated until the accounting period in which they are brought into use.

Depreciation is calculated to write off the cost of all tangible fixed assets in equal annual instalments over their expected useful lives. The annual rates used are:

Leasehold land and buildings	Over the lease period
<i>A Healthy Future</i> Building Infrastructure	15–20 years
Museum displays	5–10 years
Fixtures, fittings and computer equipment	4–5 years

FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measure at their settlement value.

DEBTORS

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

CREDITORS AND PROVISIONS

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

NOTES TO THE FINANCIAL STATEMENTS

2. COMPARATIVE SOFA INFORMATION

	Unrestricted general (£)	Designated funds (£)	Restricted funds (£)	Total funds 2019 (£)
Income and endowments from:				
Donations and legacies	215,382	-	75,000	290,382
Charitable activities	339,991	-	3,444,362	3,784,353
Other trading	295,083	-	-	295,083
Other	13,194	-	-	13,194
Total	863,650	-	3,519,362	4,383,012
Expenditure on:				
Raising funds	86,202	-	-	86,202
Charitable activities	865,312	-	514,572	1,379,884
Other	-	-	35,881	35,881
Total	951,514	-	550,453	1,501,967
Net expenditure	(87,864)	-	2,968,909	2,881,045
Transfers between funds	-	-	-	-
Net movement in funds	(87,864)	-	2,968,909	2,881,045
Reconciliation in funds:				
Total funds brought forward	93,484	1,001	2,310,811	2,405,296
Total funds carried forward	5,620	1,001	5,279,720	5,286,341

NOTES TO THE FINANCIAL STATEMENTS

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds (£)	Restricted funds (£)	2020 total (£)	2019 total (£)
The Thackray Medical Research Trust:				
Research resource grant	165,000	-	165,000	165,000
Additional revenue grant	50,000	-	50,000	50,000
Collections management system	-	21,096	21,096	-
COVID support grant	188,110	-	188,110	-
Other:				
Friends of the Thackray Medical Museum: donation towards <i>A Healthy Future</i>	-	10,000	10,000	-
DePuy donation towards <i>A Healthy Future</i>	-	-	-	75,000
Other donations towards <i>A Healthy Future</i>	-	31,647	31,647	382
Other awards	43	-	-	-
Total income from donations and legacies	403,153	62,743	465,896	290,382

NOTES TO THE FINANCIAL STATEMENTS

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds (£)	Restricted funds (£)	2020 total (£)	2019 total (£)
Grants receivable:				
Arts Council England	590,652	-	590,652	238,591
The Thackray Medical Research Trust	-	181,890	181,890	700,000
National Lottery Heritage Fund	150,600	174,600	325,200	1,515,700
Wellcome Trust	-	-	-	950,000
Wolfson Foundation	120,000	-	120,000	100,000
Foyle Foundation	-	-	-	50,000
Headley Trust	-	-	-	30,000
Swire Charitable Trust	-	-	-	25,000
Charles Hayward Foundation	-	-	-	20,000
Garfield Weston Foundation	-	30,000	30,000	-
Arnold Burton Trust	-	10,000	10,000	-
Esmeé Fairbairn	-	23,414	23,414	-
Government CJRS grant	91,794	-	91,794	-
Government CBIL interest grant	4,100	-	4,100	-
Other	-	9,175	9,175	28,106
Admissions income	7,194	-	7,194	126,956
Total income from charitable activities	964,340	429,079	1,393,419	3,784,353

NOTES TO THE FINANCIAL STATEMENTS

5. COMMERCIAL TRADING OPERATIONS

The charity has one wholly-owned trading subsidiary, The Medical Museum Trading Company Limited (Company N^o 02580425), which carries on the commercial activities that are ancillary to the operation of the Museum.

A summary of the trading results of the subsidiary is shown below:

Profit and loss account	2020 (£)	2019 (£)
Turnover	102,198	295,083
Cost of sales and administrative costs	(176,592)	(211,033)
Operating profit	(74,394)	84,050
Interest receivable	-	-
Gift aid obligation and donations to the charity	-	(84,050)
Retained in subsidiary	(74,394)	-

The subsidiary has resolved to subscribe to the funds of The Thackray Medical Museum Company Limited by way of covenanted donation of the profits of the company. A trading loss arose in 2020 which took the capital and reserves of the subsidiary from a surplus of £31,782 at the start of the period to a deficit of £42,612 at the end. As a result, no profits were donated to the charity in 2020.

NOTES TO THE FINANCIAL STATEMENTS

6. OTHER INCOME

	Unrestricted funds (£)	Restricted funds (£)	2020 total (£)	2019 total (£)
Bank interest receivable	251	-	251	470
Event and sundry income	12,950	-	12,950	12,724
Museums and Galleries Tax Relief	106,571	-	106,571	-
Total other income	119,772	-	119,772	13,194

7. EXPENDITURE ON RAISING FUNDS

	Unrestricted funds (£)	Restricted funds (£)	2020 total (£)	2019 total (£)
Trading company expenditure	17,408	-	17,408	71,140
Raising public awareness of the Museum	13,807	-	13,807	15,062
Total expenditure on raising funds	31,215	-	31,215	86,202

NOTES TO THE FINANCIAL STATEMENTS

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	2020			2019		
	General (£)	Designated (£)	Restricted (£)	General (£)	Designated (£)	Restricted (£)
Salaries, national insurance and pension costs	583,118	-	-	555,766	-	43,931
Related staff costs	9,331	-	-	11,616	-	-
Other office costs	43,989	-	-	45,347	-	-
Professional services	27,782	-	-	46,534	-	-
Insurance	33,563	-	-	31,746	-	-
Utility services and supplies	24,762	-	-	60,218	-	-
Operation of museum building	44,651	-	-	34,050	-	-
Temporary exhibitions	-	-	-	-	-	-
Depreciation of other assets	11,800	-	27,664	27,627	-	30,944
Academic, education and access	8,127	-	27,073	6,627	-	15,512
Event costs	1,479	-	-	4,766	-	-
Collection maintenance	14,604	-	1,013	14,503	-	171
Capital development costs	-	-	286,442	-	-	424,014
Governance costs	23,206	-	-	26,512	-	-
Interest payable	4,100	-	-	-	-	-
Sub-total expenditure on charitable activities	830,512	-	342,192	865,312	-	514,572
Depreciation of museum building	-	-	35,881	-	-	35,881
Total expenditure on charitable activities	830,512	-	378,073	865,312	-	550,453
Grand total			1,208,585			1,415,765

NOTES TO THE FINANCIAL STATEMENTS

9. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

	General support (£)	Governance (£)	2020 total (£)	2019 total (£)
Legal and other	1,206	-	1,206	7,627
Trustee meetings and expenses	-	-	-	660
Audit and related services	-	22,000	22,000	18,225
Total	1,206	22,000	23,206	26,512

10. NET INCOME FOR THE YEAR

This is stated after charging:	2020 (£)	2019 (£)
Depreciation	88,966	106,463
Auditor's remuneration:		
Audit fees	14,700	18,225
Non-audit fees	7,300	6,965

NOTES TO THE FINANCIAL STATEMENTS

11. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs	2020 (£)	2019 (£)
Wages and salaries (including temporary assignments)	527,357	543,266
Social security costs	39,997	40,450
Pension costs	15,765	15,981
Total staff costs	583,119	599,697

£nil (2019: £43,931) of staff costs have been allocated to the restricted funds, in association with the capital project. In 2020 the equivalent staff costs are allocated to unrestricted funds.

Reimbursed expenses, which are all subject to the group's processes of internal controls, do not form part of remuneration and are not included above.

One employee received emoluments of more than £60,000 during the current or preceding year.

Trustee remuneration and expenses	2020 (£)	2019 (£)
Remuneration	-	-
Travel and subsistence expenses paid to nil (2019: nil) Trustees during the year	-	-
Total Trustee remuneration and expenses	-	-

NOTES TO THE FINANCIAL STATEMENTS

The average headcount was 30 staff (2019: 32 staff) and the average monthly number of full-time equivalent employees (including part-time) during the year, analysed by function, was:

	2020 Number	2019 Number
Museum and trading activities	16	18
Management and administration of charity	4	4
Trustees/directors ¹	10	10
	30	32

The key management personnel of the group comprise the Trustees, the Chief Executive Officer, the Finance Director and Chief Operating Officer, the Collections and Programming Director and the Director of Development and Communications. Their employee benefits total £198,341 (2019: £175,180).

¹ Trustees are not remunerated.

NOTES TO THE FINANCIAL STATEMENTS

12. TANGIBLE FIXED ASSETS

Group:	Long leasehold land and buildings (£)	<i>A Healthy Future</i> Building Improvements/ Infrastructure (£)	Museum displays (£)	Fittings and computer equipment (£)	Assets under construction (£)	Total (£)
Cost:						
At 1st January 2020	2,825,604	-	1,637,284	663,947	1,070,522	6,197,357
Additions	-	1,781,899	349,676	86,176	-	2,217,751
Transfer	-	467,426	603,096	-	(1,070,522)	-
Disposals	-	-	(1,507,026)	(484,981)	-	(1,992,007)
At 31st December 2020	2,825,604	2,249,325	1,083,030	265,142	-	6,423,101
Depreciation:						
At 1st January 2020	814,179	-	1,577,171	566,609	-	2,957,959
Charge for year	35,881	-	20,190	32,895	-	88,966
Disposals	-	-	(1,493,530)	(484,981)	-	(1,978,511)
At 31st December 2020	850,060	-	103,831	114,523	-	1,068,414
Net book value:						
At 31st December 2020	1,975,544	2,249,325	979,199	150,619	-	5,354,687
At 31st December 2019	2,011,425	-	60,113	97,338	1,070,522	3,239,398
Analysis of net book value:						
Restricted assets	1,975,544	2,249,325	979,199	125,907	-	5,329,975
Unrestricted assets	-	-	-	24,712	-	24,712
At 31st December 2020	1,975,544	2,249,325	979,199	150,619	-	5,354,687

NOTES TO THE FINANCIAL STATEMENTS

Charity:	Long leasehold land and buildings (£)	<i>A Healthy Future</i> Building Improvements / Infrastructure (£)	Museum displays (£)	Fittings and computer equipment (£)	Assets under construction (£)	Total (£)
Cost:						
At 1st January 2020	2,825,604	-	1,637,284	663,947	1,070,522	6,197,357
Additions	-	1,781,899	349,676	23,958	-	2,155,533
Transfer	-	467,426	603,096	-	(1,070,522)	-
Disposals	-	-	(1,507,026)	(475,568)	-	(1,982,594)
At 31st December 2020	2,825,604	2,249,325	1,083,030	199,108	-	6,357,067
Depreciation:						
At 1st January 2020	814,179	-	1,577,171	555,543	-	2,946,893
Charge for year	35,881	-	20,190	32,212	-	88,283
Disposals	-	-	(1,493,521)	(475,568)	-	(1,969,089)
At 31st December 2020	850,060	-	103,840	112,187	-	1,066,087
Net book value:						
At 31st December 2020	1,975,544	2,249,325	979,190	86,921	-	5,290,980
At 31st December 2019	2,011,425	-	60,113	95,175	1,070,522	3,237,235
Analysis of net book value:						
Restricted assets	1,975,544	2,249,325	979,199	63,689	-	5,267,748
Unrestricted assets	-	-	-	23,232	-	23,232
Total	1,975,544	2,249,325	979,199	86,921	-	5,290,980

NOTES TO THE FINANCIAL STATEMENTS

All of the assets are held as functional assets, other than fittings with a book value of £nil in both the group and charity (2019: group £97,338; charity £95,175). Costs which were capitalised as assets under construction in 2019 were fully capitalised in 2020. These assets, along with other additions relating to the capital project, will be brought into use in 2021 and depreciated from the date in accordance with the Museum's depreciation policy.

NOTES TO THE FINANCIAL STATEMENTS

13. SUMMARY OF ANALYSIS OF HERITAGE ASSET TRANSACTIONS

	2020 (£)	2019 (£)	2018 (£)	2017 (£)	2016 (£)
Object additions	668	59	476	2,948	850
Trade catalogue additions	415	80	1,539	6,175	3,872
Book additions	320	100	487	2,245	850
Total additions	1,403	239	2,502	11,368	5,572

The table above sets out heritage assets acquired by the Museum in 2016, 2017, 2018, 2019 and 2020 which are considered to have a monetary value. As part of the collections rationalisation programme described on page 7, there were 140 disposals of assets during the year ended 2020, the larger part being hazardous items and non-accessioned duplicates. Generally, any heritage asset disposals carried out as part of the collections rationalisation are low-value items, identified through a rigorous assessment process as having little significance or relevance to the museum collection. These are also often highly specialised technical items not routinely collected or sold on the market. This further compounds the difficulty of establishing any meaningful material valuations for individual items. For these reasons the museum neither capitalises additions, discloses disposals or shows them on the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

14. INVESTMENTS

Investments amounting to £2 (2019: £2) comprise a 100% holding in the issued share capital of The Medical Museum Trading Company Limited (Company number 02580425), a company registered in England and Wales. A summary of the financial performance and position of the company is included in note 5 to the financial statements.

The charity holds 100% of the voting rights within The Medical Museum Trading Company Limited.

15. STOCK

	GROUP		CHARITY	
	2020 (£)	2019 (£)	2020 (£)	2019 (£)
Goods for resale	8,265	1,305	-	-

NOTES TO THE FINANCIAL STATEMENTS

16. DEBTORS

	GROUP		CHARITY	
	2020 (£)	2019 (£)	2020 (£)	2019 (£)
Amounts falling due within one year:				
Debtors in the ordinary course of activities	43,810	149,304	33,750	79,833
Prepayments and accrued income	719,044	2,065,013	715,035	2,064,401
HMRC VAT Debtor	79,472	67,258	79,472	67,258
Gift aid recoverable	1,949	1,949	1,949	1,949
Amount owed by subsidiary	-	-	127,733	80,426
	844,275	2,283,524	957,939	2,293,867
Accrued income				
Balance b/f	2,016,541	-	2,016,541	-
Amounts released to income earned from charitable activities:				
National Lottery Heritage Fund	(1,090,800)	-	(1,090,800)	-
Wellcome Trust	(510,124)	-	(510,124)	-
Other	(30,000)	-	(30,000)	-
Amounts accrued in year:				
National Lottery Heritage Fund	174,600	1,274,041	174,600	1,274,041
Wellcome Trust	-	712,500	-	712,500
TMRT – additional revenue grant	12,500	-	12,500	-
HMRC Museums and Galleries Tax Relief	106,571	-	106,571	-
Other	7,288	30,000	3,900	30,000
Balance c/f	686,576	2,016,541	683,188	2,016,541

NOTES TO THE FINANCIAL STATEMENTS

17. CREDITORS

	GROUP		CHARITY	
	2020 (£)	2019 (£)	2020 (£)	2019 (£)
Creditors < 1 year				
amounts falling due within one year:				
Creditors in the ordinary course of activities	589,429	214,546	586,775	209,636
Taxation and social security	11,285	11,335	11,285	11,335
Accruals and deferred income	286,508	213,895	261,746	209,105
Other creditors	3,884	3,969	3,884	3,969
Coronavirus Business Interruption Loan	46,296	-	46,296	-
	937,402	443,745	909,986	434,045
Deferred income				
Balance b/f	95,659	75,758	95,659	75,758
Amounts released in year:				
Thackray Medical Research Trust	(41,250)	(41,250)	(41,250)	(41,250)
Arts Council England	(54,409)	(32,002)	(54,409)	(32,002)
Other	-	(2,506)	-	-
Amounts accrued in year:				
Thackray Medical Research Trust	-	41,250	-	41,250
Arts Council England	53,048	54,409	53,048	54,409
Other	17,670	-	-	-
Balance c/f	70,718	95,659	53,048	95,659
Creditors > 1 year				
Coronavirus Business Interruption Loan	203,704	-	203,704	-
	203,704	-	203,704	-

NOTES TO THE FINANCIAL STATEMENTS

The Coronavirus Business Interruption Loan (CBIL) is a £250,000 loan which was drawn down in August 2020. After a 6-month repayment-free period, the loan will be repaid over 54 months in equal instalments from March 2021 at an interest rate of 4% above the Bank of England base rate. The loan will be fully repaid by the end of August 2025.

NOTES TO THE FINANCIAL STATEMENTS

18. ANALYSIS OF CHARITABLE FUNDS

Analysis of movements in restricted funds

	GROUP & CHARITY				
Establishment of the Museum:	Balance 1 January 2020 (£)	Incoming Resources (£)	Outgoing Resources (£)	Transfers (£)	Balance 31 December 2020 (£)
Ashley Wing conversion	2,011,425	-	(35,881)	-	1,975,544
Specific projects:					
<i>The Thackray Medical Research Trust</i>					
(a) Collection management system	11,954	21,096	(11,156)	-	21,894
(b) Fire alarm system	44,087	-	(12,186)	-	31,901
<i>Other</i>					
(c) Thackray Remembered	4,760	-	(4,760)	-	-
(d) Downs Collection	100	-	-	-	100
(e) Wilkinson Gallery Development	321	-	-	-	321
(f) Unknown Heroes	718	-	(718)	-	-
(g) Oxford Knee Archive	6,936	-	-	-	6,936
(h) Friends' Contribution to Legacy Marketing	1,700	-	-	-	1,700
(i) Human Tissue Authority	465	-	(1,315)	850	-
(j) ACE MRF Close Connections Audience Development	22,327	-	(3,922)	-	18,405
(k) MDY GIS Space	33,279	-	(10,000)	-	23,279
(l) <i>A Healthy Future</i> capital project	2,071,245	363,137	(272,996)	(2,121,234)	40,152

NOTES TO THE FINANCIAL STATEMENTS

GROUP & CHARITY

		Balance 1 January 2020 (£)	Incoming Resources (£)	Outgoing Resources (£)	Transfers (£)	Balance 31 December 2020 (£)
(m)	<i>A Healthy Future</i> capital project – capitalised costs	1,070,522	-	-	2,121,234	3,191,756
(n)	Lego Fundraising campaign	(5,948)	-	(13,444)	19,392	-
(o)	The Nerve Centre	5,000	70,000	-	(69,992)	5,008
(p)	The Nerve Centre – capitalised costs	-	-	-	69,992	69,992
(q)	Acquisitions Fund	829	1,175	(1,015)	-	989
(r)	Esmeé Fairbairn Sustaining Engagement	-	23,414	(7,680)	-	15,734
(s)	LAWHN Internship	-	3,000	(3,000)	-	-
(t)	The Monty Losowsky Memoria Prize sponsored by One Medical Group	-	10,000	-	-	10,000
		5,279,720	491,822	(378,073)	20,242	5,413,711

NOTES TO THE FINANCIAL STATEMENTS

COMMENTARY ON RESTRICTED FUNDS:

(A) TMRT COLLECTION MANAGEMENT SYSTEM

The Museum procured and commissioned a new Collections Management System using funds from the TMRT. The incoming resources in 2020 reflect the TMRT's contribution towards the final phase of system installation/commissioning. The outgoing resources reflect the depreciation of the capitalised system and an annual support fee.

(B) TMRT FIRE ALARM SYSTEM

As part of the MDY GIS space grant – see (I) below – a full building Fire Risk Assessment was undertaken. A key recommendation was the need for the Museum to upgrade its Fire Alarm System to a L1 specification. The TMRT generously funded this project, which was completed in 2018. The remaining balance on this fund relates to capitalised items which are being written off over five years.

(C) THACKRAY REMEMBERED

The Museum secured funding from the Heritage Lottery Fund, DePuy International Ltd, the TMRT, and Mr and Mrs CP Thackray for a project to capture and interpret the history of the Thackray Company. The project resulted in newly commissioned photography, film and creative writing relating to workers' experience of Chas. F. Thackray Ltd and of the present-day experience of workers at DePuy International Ltd, at the Beeston manufacturing site in Leeds. This new work, as well as material from the Museum collection, was interpreted by former Thackray workers. This fund was fully written down in 2020.

(D) DOWNS COLLECTION

A small balance of £100 sits within this fund and was intended to be used to interview a Mr Bevan about the Downs Collections which was kindly donated to the Museum several years ago. It is intended that this will be expended in 2021.

(E) WILKINSON GALLERY DEVELOPMENT

The Museum received funding of £10,000 from the TMRT to support developments in the interpretation of the Wilkinson Collection of apothecary jars, displayed in the Wilkinson Gallery. The project involves additional interpretation to increase visitor access to the objects, interactive activities in the gallery and the development and marketing of a costumed interpretation session by a Georgian "apothecary". It is intended that this will be expended in 2021.

(F) UNKNOWN HEROES

The Museum received funding of £195,000 from Arts Council England Strategic Support Funding and £15,000 from the TMRT. The funding supported the refurbishment of a section of the first-floor galleries to create a new flexible gallery space for exhibitions on the theme of medicine and conflict. It also supported the development of a new temporary exhibition on the medical outcomes of the First World War, which opened in July 2014 and will remain in situ for around 5 years. The project also produced a formal education session on the First World War and a heritage trail exploring the history of the Museum building as a military hospital during the First World War. This fund was fully written down in 2020.

(G) OXFORD KNEE ARCHIVE

The Museum received funding of £10,450 from a variety of sources (£5,000 TMRT, £4,450 the Friends of the Thackray Medical Museum, £1,000 Thackray Heritage Foundation) towards the cataloguing and repackaging of the Oxford Knee Archive donated by Dr J.J. O'Connor and Mrs H. Goodfellow, widow of the late Dr J. Goodfellow. The archive has been catalogued and repackaged in Oxford and was transported to the Museum in Leeds in 2014. The funds also supported the cost of commissioning an oral history interview with Dr O'Connor. In 2017 a further £5,000 was donated towards this fund, and these, together with the balance brought forward from 2016, will be used to develop an education resource which makes use of the archive.

NOTES TO THE FINANCIAL STATEMENTS

(H) FRIENDS CONTRIBUTION TO LEGACY MARKETING

This donation was made by the Friends of the Museum in 2014 to develop a marketing strategy and fundraising framework to increase donations from legacies. As at the end of 2020 this fund had not been expended. With increased fundraising capacity, a plan for this fund will be developed.

(I) HUMAN TISSUE AUTHORITY

The Museum secured funding of £7,250 in 2016 through the University of Leeds to obtain a Human Tissue Licence. This will allow the Museum to display human tissue. The funding is being expended on licence costs, tissue samples and storage over four years and was fully expended by the end of 2020.

(J) ACE MRF CLOSE CONNECTIONS AUDIENCE DEVELOPMENT

The Museum successfully secured £96,200 of funding under the Arts Council England Museums Resilience Fund. This funding was used to source and implement a new CRM and ticketing system, and to upgrade the Museum website. The last tranche of this grant was claimed in 2019 (£25,556). The majority of the balance on this fund at the end of 2020 relates to assets being depreciated over four years. A small value has been retained for training on the system in 2021 following upgrades to allow for pre-booked timed ticket slots.

(K) MDY GIS SPACE

The Museum successfully secured £50,000 of funding from Museums Development Yorkshire in 2017/18 to upgrade the temporary exhibition space to government indemnity standards. These standards improve security and fire alarm systems and will enable the Museum to borrow from national collections. The remaining balance on the fund relates to the net book value of the assets which are being written off over five years.

(L) A HEALTHY FUTURE CAPITAL PROJECT – INCOME & EXPENDITURE

(M) A HEALTHY FUTURE CAPITAL PROJECT – CAPITALISED ITEMS

The project comprises building works, new public access and facilities and a refurbishment of all of our exhibits – 11 galleries to be refreshed, redesigned and reimaged. The physical works have been supported by an imaginative activity plan.

The capital project work commenced in 2019 and was practically completed in autumn 2020. The activity plan costs will continue into 2022/23.

The project is being generously funded by a number of key supporters, as set out here:

NOTES TO THE FINANCIAL STATEMENTS

Funder	(£)
National Lottery Heritage Fund	1,690,300
Wellcome Trust	950,000
Thackray Medical Research Trust	811,890
Garfield Weston Foundation	130,000
Foyle Foundation	50,000
Wolfson Foundation	100,000
Charles Hayward Foundation	20,000
Arts Council England	258,568
Scurrah Wainwright Charitable Trust	5,000
George A Moore Foundation	5,000
Medical Sciences Historical Society	612
Leeds Inspired, part of LCC	4,100
The Holbeck Trust	500
Donation in memory of Louise Thackray	10,000
The Sir George Martin Trust	3,000
The Arnold Burton Charitable Trust	10,000
The Swire Trust	25,000
Sackler Trust	10,000
Leeds Civic Trust	5,000
The Headley Trust	30,000
Wade's Charity	2,000
DePuy Synthes (donation)	75,000
LCC Inner East Community Committee	5,000
Friends of the Thackray Medical Museum	10,000
Total Funding Confirmed	4,210,970

NOTES TO THE FINANCIAL STATEMENTS

As at the 31 December 2020, £4,161,361 had been recognised as incoming resources for this project. This value includes £357,841 of accrued income in relation to the National Lottery Heritage Fund grant, and £202,376 of accrued income in relation to the Wellcome Trust award.

The total cost of the project with summary breakdown of budget is shown in the table below:

Capital Costs	(£)
Main construction contract (including committed contingency)	1,552,129
Exhibition design and fit-out	876,000
Other capital costs	69,460
Covid-related extension/impact costs	174,600
Professional fees in relation to capital costs	328,936
Irrecoverable VAT in relation to capital costs	307,282
Total Capital Costs	3,308,407
Repairs Costs	(£)
Roof works	257,353
Asbestos removal	36,311
Professional fees in relation to repairs costs	38,604
Irrecoverable VAT in relation to repairs costs	36,122
Total Repairs Costs	368,390
Activity Costs	(£)
Project team	234,568
Other activity costs	257,884
Irrecoverable VAT in relation to activity costs	31,721
Total Activity Costs	524,173
Total Project Costs	4,200,970

NOTES TO THE FINANCIAL STATEMENTS

At 31st December 2020, £4,151,580 of costs had been incurred. Of these, £3,191,756 had been identified as capital costs and recognised as fixed assets within the Balance Sheet.

(N) LEGO FUNDRAISING CAMPAIGN

In 2018, the Museum launched a public fundraising campaign to build the Museum in LEGO® bricks. It was determined at the end of 2020 that the likelihood of recovering the costs associated with this campaign had dwindled significantly as a result of other events, such as COVID-19, and fundraising efforts being concentrated on trusts and foundations. As a result, this fund was fully written off in 2020, with the shortfall being met from the general fund.

(O) THE NERVE CENTRE – INCOME AND EXPENDITURE

(P) THE NERVE CENTRE – CAPITALISED ITEMS

The Nerve Centre is the ground floor area of the Museum building which is our dedicated schools/learning area. The redevelopment of this area falls outside of the scope of *A Healthy Future* capital project, and this is a self-contained but complimentary project to *A Healthy Future* with a budget of just under £80,000. The costs include creating a new, dedicated schools entrance and reception, and configuring space to create versatile and modern learning spaces.

By the end of 2020, £77,000 had been received through generous funding from the TMRT (£70,000), the Charles and Elise Sykes Trust (£5,000), and the Penny Wake Foundation (£2,000). £69,992 had been expended from this fund, all of which was eligible capital spend.

The Nerve Centre project will be completed in 2021.

(Q) ACQUISITIONS FUND

This fund has been created with the money realised from the sale of deaccessioned museum objects after due process laid out in our collections development policy. The funds are restricted to expenditure on new acquisitions for the collection, also as laid out in our collections development policy.

(R) ESMÉE FAIRBAIRN SUSTAINING ENGAGEMENT

The Museum secured £23,414 of funding through the Museum Associations Esmée Fairbairn Collections Fund to pilot digital engagement and develop our in-house capacity. The resulting project, Open Wide, developed a series of 360 degree virtual tours of our Victorian Street, and an interactive 3D model of prince Albert's medicine chest, both sets of resources to be used by schools. Production of these was carried out in 2020 and they are due to be rolled out to schools in 2021.

(S) LAWHN INTERNSHIP

We facilitated an internship in association with the University of Leeds, whereby a student from the University undertook a 12 week internship with LAWHN. This was a successful three-way partnership which was initiated and completed over the summer of 2020.

(T) THE MONTY LOSOWSKY MEMORIAL PRIZE SPONSORED BY ONE MEDICAL GROUP

This relates to sponsorship of the Monty Losowsky Memorial Lectures which will be held annually in memory of our late co-founder who was a long term champion and friend of the Museum.

NOTES TO THE FINANCIAL STATEMENTS

19A. ANALYSIS OF GROUP MOVEMENTS IN UNRESTRICTED FUNDS

	1 January 2020 (£)	Incoming Resources (£)	Resources expended (£)	Transfers (£)	31 December 2020 (£)
General fund	5,620	1,589,463	(861,727)	(572,572)	160,784
Museum development and maintenance fund	1,001	-	-	-	1,001
Museum COVID resilience fund	-	-	-	552,330	552,330
	6,621	1,589,462	(861,726)	(20,242)	714,115

19B. ANALYSIS OF GROUP ASSETS BETWEEN FUNDS

2020	Tangible Fixed Assets (£)	Bank balances (£)	Other net current assets (£)	31 December 2020 Totals (£)
Restricted Funds	5,329,975	90,742	(7,006)	5,413,711
Unrestricted funds - General	24,712	417,629	(281,557)	160,784
Unrestricted funds - Designated	-	553,331	-	553,331
Total	5,354,687	1,061,702	(288,563)	6,127,826

2019	Tangible Fixed Assets (£)	Bank balances (£)	Other net current assets (£)	31 December 2019 Totals (£)
Restricted Funds	3,217,336	187,096	1,875,288	5,279,720
Unrestricted funds - General	22,062	17,762	(34,204)	5,620
Unrestricted funds - Designated	-	1,001	-	1,001
Total	3,239,398	205,859	1,841,084	5,286,341

NOTES TO THE FINANCIAL STATEMENTS

20. CAPITAL

The Thackray Medical Museum Company Limited is a charitable company, limited by guarantee and has no share capital. The members have agreed to contribute £1 each to the charity's assets in the event of it winding up, if its assets should prove insufficient to cover its liabilities, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the company contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

21. CONNECTED CHARITY

The charity is connected by virtue of common objects to The Thackray Medical Research Trust, charity registration number 1181361 which can be contacted at Beckett Street, Leeds, LS9 7LN. The principal activities of The Thackray Medical Research Trust are to support the establishment of a medical museum in Leeds and to promote research into the history of the medical supply trade.

22. CONTROLLING PARTY

The Trustees of The Thackray Medical Museum Company Limited are considered to be the controlling party of the company.

NOTES TO THE FINANCIAL STATEMENTS

23. RELATED PARTY TRANSACTIONS

During the year, The Thackray Medical Research Trust, whose principal activity is that of supporting the establishment of a medical museum in Leeds and to promote research into the history of the medical supply trade, provided an annual support grant of £165,000 (2019: £165,000), two additional support grants totalling £238,110 (2019: £50,000), and restricted funding of £202,986 (2019: £700,000).

During the year, sales of £108 (2019: £305) were made by the Museum's subsidiary Trading company to The Thackray Medical Research Trust.

The Friends of the Thackray Medical Museum membership scheme provides support to ensure the future of the Museum, and members receive benefits which include free admission to the Museum, exhibition openings and lectures in return for their ongoing support. The Friends of the Thackray Medical Museum disbanded their committee in 2020 and transferred their funds to the Museum. £10,000 was allocated from the Friends as a contribution towards *A Healthy Future*. A full relaunch of the Friends will take place in 2021, along with a new Patrons scheme launch.

During the year, The Thackray Medical Museum made purchases of £492 (2019: £2,314) from the subsidiary Trading company. A management charge of £152,737 (2019: £135,299) from the Museum to the Trading company has been charged. At the year end, gift aid amounting to £nil (2019: £84,050) for the year ended 31 December 2020 has been made from the Trading company to the Museum.

Throughout the year recharges between the Museum and the Trading company have been made for income received and costs paid for on behalf of the Trading company. At 31 December 2020 the Trading company owes the Museum £127,734 (2019: £80,425).

During the year, professional fees of £nil (2019: £11,865) were paid to Schofield Sweeney LLP. A trustee of the Museum was a member of Schofield Sweeney LLP until part-way through 2019.

NOTES TO THE FINANCIAL STATEMENTS

24. RECONCILIATION OF NET MOVEMENTS IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	GROUP		CHARITY	
	2020 (£)	2019 (£)	2020 (£)	2019 (£)
Net movement in funds	841,485	2,881,045	915,877	2,881,045
Add back depreciation charge	88,966	106,463	88,283	105,887
Profit/(loss) on disposal of assets	13,496	-	13,505	-
Deduct interest income	(251)	(470)	(251)	(470)
(Increase)/Decrease in stock	(6,961)	9,185	-	-
Decrease)/(Increase) in debtors	1,439,249	(2,188,351)	1,335,928	(2,137,963)
Increase in creditors	447,359	228,830	429,645	239,496
Net cash generated by operating activities	2,823,343	1,036,702	2,782,987	1,087,995

NOTES TO THE FINANCIAL STATEMENTS

25. CAPITAL AND OTHER COMMITMENTS

	GROUP		CHARITY	
	2020 (£)	2019 (£)	2020 (£)	2019 (£)
Contracted for but not provided in the financial statements	-	1,551,031	-	1,551,031

The company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	GROUP		CHARITY	
	2020 (£)	2019 (£)	2020 (£)	2019 (£)
Within 1 year	4,335	5,820	2,541	3,668
Between 2 and 5 years	9,612	11,435	8,715	8,206
In over 5 years	-	-	-	-
	13,947	17,255	11,256	11,874



**THACKRAY
MUSEUM OF
MEDICINE**

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