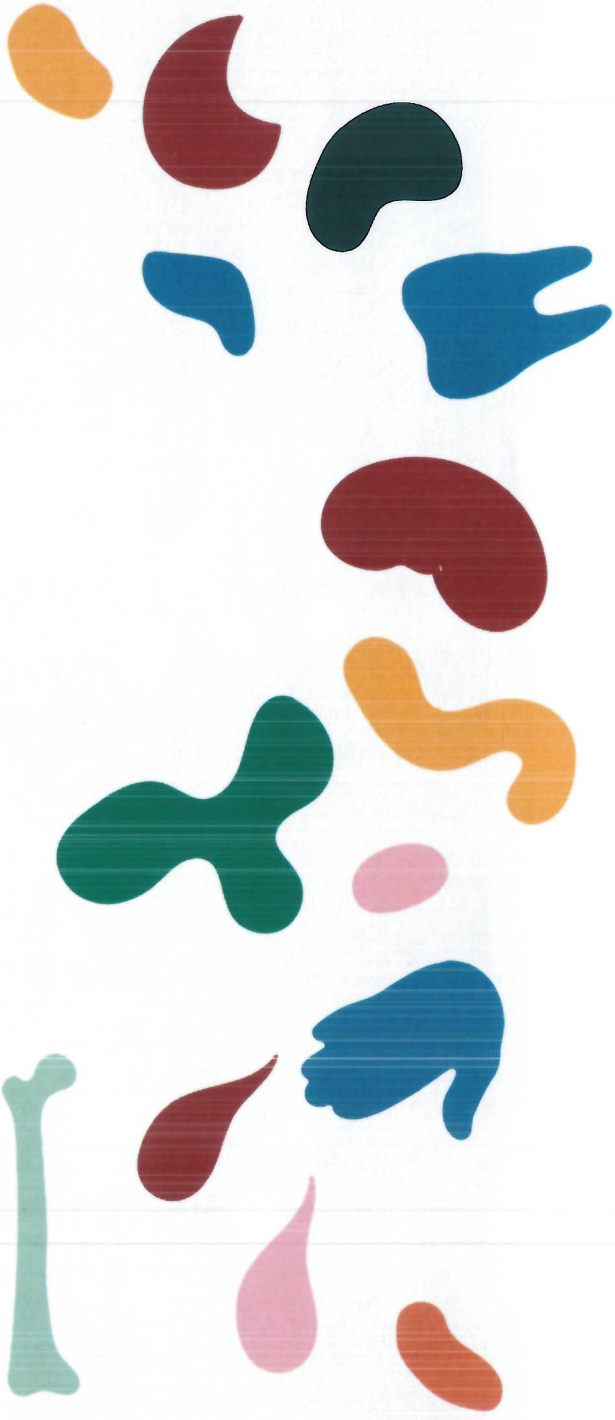




THACKRAY

MEDICAL MUSEUM

2022

ANNUAL REPORT

AND FINANCIAL STATEMENTS
for the 15 months ended 31 March 2022

THE THACKRAY MEDICAL MUSEUM COMPANY LIMITED
Charity Reg. No. 1016169 Company Reg. No. 02772412



INTRODUCTION FROM THE CHAIRMAN



The period covered by this, extended, annual report has proved to be one of the most eventful in the museum's history. It covers the height of the COVID pandemic and I am pleased to share some of the highlights of a very full programme nonetheless. While museums across the UK were shut down, we managed to keep our doors open as a vaccination centre to facilitate 50,000 vaccinations of clinically vulnerable people, NHS staff and care workers who were able to use the museum alongside another 5,000 volunteers taking part in the Novovax vaccine clinical trials. In April we launched our online collection and when museums were finally able to re-open in May, we were able to welcome the public to a fully refurbished museum – featuring 11 new galleries and a new programme of public activities and learning opportunities. This proved to be just the beginning of a year of emerging and adapting to the post-lockdown world. We celebrated in style in July, when we welcomed our friends, funders and the Minister of State for Culture to formally open our new museum. At the same time, we were ourselves celebrated as we discovered we were finalists for the Art Fund Museum of the Year Prize.

The momentum carried on throughout the year. In May we launched our Harehills Mondays free admission and activity programme and in July we became the first museum in the UK to host a regular social prescribing clinic. We continued to work with partners across the region to promote research and initiatives to support public wellbeing and tackle the social determinants of poor health. With the UK Medical Collections Group, we shared our learning and experience across the museum sector, organising a session at the Museums 2021 conference and a symposium, *Medicine Myth and Memory* on the anniversary of the public vaccination programme roll-out. We re-launched our Insights programme of medical history lectures – now dedicated to our co-founder, Professor Monty Losowsky and we were delighted to secure generous sponsorship from OneMedical Group to allow us to launch a new annual prize for medical students, the Monty Losowsky Memorial Lecture.

The continued support of the public, along with Friends, Patrons and funders such as Arts Council England, DCMS Here for Culture, the Thackray Medical Research Trust, Wolfson Foundation, Wades Charity, AHRC,Heritage Fund, Art Fund and the Scurrah Wainright Trust among others have allowed us to continue to provide a unique museum service that captures imaginations and inspires action. We are thankful to everyone who has helped make the last year a success and I can't wait to share the next phase of our journey with you.

Neil Kaiper-Holmes

Dr Neil Kaiper-Holmes
Chairman of the Trustees



THE BARE BONES
2021-22 at a glance

2021 was a rebirth for the Thackray, with a renewed museum, new programmes and products and a reinvigorated profile and reputation. Our commitment to innovation, access and engagement earned us a nomination as a finalist for the Art Fund Museum of the Year.

We launched a new community hub and a a new under-5s space and welcomed new Trustees, staff and volunteers to the team. Together with our visitors, community and supporters, that team has worked tirelessly to build a sustainable future for the museum.

over **50,000** vaccinated at the museum

6,974 students from **210** schools

we scored **93%** in our Visit England quality assessment

62 volunteers contributed over **2,000** hours

60,000 visitors

39% of museum tickets sold
adult full price
35% families and children
35% concessions

£1.7M income

With the reopening of the museum in May 2021, we were able to begin generating income from visitors, after a two-year hiatus. Despite a relatively slow recovery in footfall, the improved quality of the museum offer has increased visitor spend per head compared with pre-closure levels. Reduced conference income was significantly offset by rental income we secured for hosting COVID vaccinations and other NHS uses of the building. Other income benefited from successfully securing £77k of tax relief.



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ANNUAL REPORT

OBJECTIVES AND 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 un-heard
- 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 COVID pandemic has brought into focus the need for trusted public medical information and spaces and for the 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.

CONSOLIDATION IMPACT AND SUSTAINABILITY

To achieve this vision, looking forward to 2022/23 our immediate strategic objectives are to:

Consolidate: we need to give the organisational and operational changes that we have made the chance to bed in and start performing. We need to make sure the physical changes we have made to the building and museum offer are consolidated and working to high quality standards and we need to identify and bring into our core programming those new initiatives piloted during 2021/22 that have proved most successful.

Understand and target our Impact: we want to make everything that we do count. Critically, we want to maximise the benefits for the community of our activity plan and develop useful, shared and meaningful measures of success.

Grow a sustainable business: we will reduce and control risks and support an entrepreneurial approach to developing business resilience. We will work to reduce the environmental impact of our activities to deliver the very best value from our use of resources.

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 AND PERFORMANCE

Caring for our Collections

Together, the collection of historic objects, books and archives 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 28,000 written works covering a wide range of medical specialities and healthcare themes. The key collections strengths are in medical supplies, surgical equipment, disability equipment and aids and apothecary and pharmacy trades. 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 and apothecary tokens and jars. Items range in size from micro-implants to x-ray machines and, while the focus is on the UK (particularly the North of England), medical traditions represented in the collection range from early roman medicine to medieval Arab apothecaries and contemporary Chinese acupuncture.

The Wilkinson Collection of 17-18th century drug 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 and complemented by a range of drug jars from Europe to the Middle East.

On reviewing the Collections Development Policy in 2020, we recognised the need to introduce a programme of contemporary collecting, whereas the focus had previously always been around collecting historic material. This change is part of the museum's broader aim to include and represent a wide range of contemporary communities and health practices. Contemporary collecting priorities are set annually and often coincide with programme planning.

Collections are managed within the Arts Council England Standards for Accredited Museums and the Museums Association Code of Ethics for Museums (2015) covering all aspects of collections acquisition, disposal, care, conservation, documentation and access. Acquisition and disposal of objects are carefully controlled. Disposal of individual items can only be done under strictly controlled circumstances and the 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 collection (and principle heritage asset) 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 (other than those being disposed as hazardous materials):

The item must first be offered to any other accredited 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.

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 the reporting period (i.e. the 15-months from 1 January 2021 to 31 March 2022), as part of its ongoing collections rationalisation, the Museum disposed of 54 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/or provenance. Their disposal was processed and documented following the procedure above.

In the reporting period, 366 objects were acquired for the museum's collection. Contemporary collecting linked to sexual health, prosthetics and chronic conditions and collecting relating to our temporary exhibitions and programmes including dementia, menstruation, blood, robotics and sport medicine.

Highlights included:

- 3 in 1 boxer briefs for Trans men
- Fran Monk digital images from the "Mothers in Lockdown" digital exhibition.
- Collections of journals (diaries) from a former Leeds based cardio thoracic consultant.
- Collection of contemporary period products from UK and Uganda.
- Novavax vaccine
- Material relating to the Anti-vax movement.

Our collection was made publicly accessible online in April 2021 and we have continued to work with stakeholders and partners to find ways to increase access to, and interest in, our collections – including a project with the Swarthmore Centre, working with a group of neurodivergent young adults to enhance and diversify online interpretation. Other collections access initiatives have included 'Just the Tonic', which used collections in multisensory creative activities focusing on participant wellbeing over a 14-week programme .

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. While museum loans were suspended for a large part of the period, due to COVID and practical demands of completing the refurbishment project, we were able to continue to support 12 museums across the UK with long-term collections loans of 56 objects, as well as welcoming object loans to the museum from Service Robotics and Sheffield University, Skyline and Bradford Museums Service. Museums supported by loans from our collection include:

- Portland Basin Museum, Ashton-Under Lyne
- Dover Castle, Dover
- Dundee Heritage Trust, Dundee
- Ripon Museum, Ripon

- The Sedgwick Museum of Earth Sciences, Cambridge
- Castle Museum, York
- Leeds Museums and Galleries
- Erasmus Darwin Foundation, Lichfield
- National Museums Liverpool
- Quarry Bank Mill, Styal
- Historic Royal Palaces (Tower of London)
- Imperial War Museum North, Salford

Building our Audiences

As our operation has opened up across this period our audience development transitioned considerably, requiring a step change in our focus, pace and resources. Whilst closed for redevelopment and because of the restrictions of the Coronavirus pandemic, we concentrated on completing the co-creation of exhibition content with over 200 local people and connecting digitally with audiences. We continued to produced online programmes eg *Sew Your Feelings* inspired by Lorina Bulwer's embroidery in the collection and *Insights* lecture series.

Following the re-opening in May, our focus switched to the delivery of our new on-site programmes including temporary exhibitions – *Grow MedTech* and *Can Robots Care?* in the Future Space gallery and *Unfurlings* and *Periods: a Brief Jaunt Up North* in the main temporary exhibition space. A new on-gallery offer of talks and tours proved to be extremely popular with audiences who love hearing about the collections from staff and volunteers.

Most significantly we launched our community strategy and programme including Harehills Monday - focussed around free entry for those living or working locally – and the creation of our *Core* community space.

All of these activities have either been completely new, significantly developed from previous activities or else the teams that are delivering them have changed so significantly since the museum closed for refurbishment in May 2019 that they require a new approach. To support this, we have delivered team-wide training and recruited several key new team members to help deliver our programme. A new community co-producer has been invaluable in helping to build better relationships with the local community, helping us to plan and roll out our community programme – not least in the development of *Core*, a new permanent community resource hub within the museum, which opened in July 2021.

Our extended visitor experience team have received training in a range of customer-facing skills and awareness and are now delivering daily gallery talks. Our newly recruited informal learning team have taken a proactive approach in developing on-site and digital content, creating new informal family activity programmes and relaunching our *Insights* programme of medical history lectures. A new role of Customer Relations Officer was established to improve our service to groups and learning providers and to help us better use data to plan our operations. With support from the Heritage Fund, via Leeds 2023, we were able to work at the latter end of 2021 with Sable Radio and the Compton Centre to train local young people in the production of podcasts and to create a series of podcasts telling the story of *'Leeds' Medical Mile'*. At the end of the period, thanks to funding from the Heritage Fund, AHRC and Art Fund. We welcomed our Curatorial Fellow as part of the *Accentuate* project to improve disabled representation within museums.

The impact of our new approach on the breadth and range of our offer has also been noticeable. Projects such as our *Periods* exhibition and programme, in partnership with Vagina Museum have been well received by the public and helped introduce new audiences to the museum. Similarly, a strategic focus on increasing our attraction for families has seen successful projects such as our *Sparks!* Pre-5 centre and of *Dr Smartypants*, a new interactive play installation co-created with children from neighbouring Co-op academy.

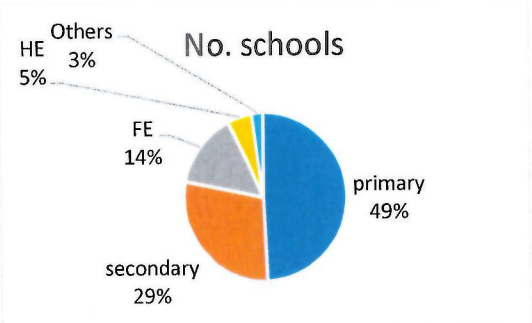
Learning

The beginning of 2021 saw schools under COVID restrictions and with reduced programmes.

We re-launched our Learning Programme with the reopening of the museum, offering 20 new workshops, an extended programme, incorporating new STEM, Early Years and PSHCE topics and 5 newly refurbished learning spaces supported by a new learning centre. The new programme was promoted with new brochures, a refreshed website and through CPD events and outreach.

The period also saw the roll out of new digital learning resources such as the 360 degree interactive tour of Disease Street, linked to hidden histories and the 3D digital model of Prince Albert's Medicine Chest, created with support from the Esmee Fairbairn Collections Fund.

Inevitably numbers were impacted by closure and pandemic. From May, limited take-up of the schools programme was in evidence, however our objectives were to see a return to hosted school visits from the 2021/22 session onwards. The Omicron scare at the end of 2021 had a significant impact on numbers, however the picture during 2021 was one of recovery (and this has continued at a healthy rate into 2022/23). Between January 2021 and March 2022, 201 schools visited the museum, with a total of 6,974 students (generating £59,252 income). Just under half the schools visiting were primaries, with a distribution as follows:



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. In particular, the importance we assign to volunteering has been evidenced with the appointment (in December 2020) of a full-time Volunteer Coordinator and the development of new volunteering policies.

Between January 2021 and March 2022, 62 volunteers contributed 2,000 hours to the museum, including:

- 8 volunteers continued during lockdown to work on our collaborative workhouse project
- 48 volunteers became Visitor Experience Volunteers in the newly refurbished museum – bringing the new galleries to life by greeting guests and offering handling sessions and gallery talks
- 4 volunteers received specialist training to work with our collections, carrying out an audit of medical ephemera
- 2 volunteers continued to create historical costumes and learning resources as sewing volunteers

Already, we are delighted to report progression from our volunteering programme. In October, volunteer May Schymczyk won the inaugral Monty Losowsky Prize and two volunteers were appointed as paid members of staff in February 2022, following periods of working as Visitor Experience Volunteers.

Social Media

By March 2022, across the four platforms targeted by the museum, we had grown our social media following to c. 17,271 followers (representing net annual growth of c. 29%).

Demographics and interest in content vary with platform. Our largest social media following is on Facebook, where content relating to family programmes and our Sparks! Play area have been most popular. On our other well-followed platform, Twitter, content relating to our Periods exhibition proved most popular.

Complaints relating to our Services

In line with a new complaints policy adopted by the museum at the end of 2020, all complaints received by the museum requiring a formal response are logged and recorded to be reported to the Board. During the period of the report, one complaint was received that required a formal response. The complaint (concerning access information regarding food allergens and accessible information for visually impaired visitors) was successfully resolved.

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 21.

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 Executive team coordinate our fundraising activity and ensure 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 the 15 months to 31 March 2022, many people and organisations supported the Museum. We are delighted to acknowledge the continued support of funders, including the National Lottery Heritage Fund, Arts Council England, Thackray Medical Research Trust, Wellcome Trust, the Garfield Weston Foundation, Scurrah Wainwright, and Wades Charity. Generous personal donations were received, including one in memory of Louise Thackray and one from Dr Martin Muers.

The Museum was able to continue the work undertaken in the previous year to secure its financial position and ensure survival beyond the COVID pandemic thanks to Round 2 covid emergency funding from Arts Council England.

The Friends and Patrons schemes of the Thackray Museum of Medicine are membership schemes which provide support to ensure the future of the Museum. Friends of the Museum receive benefits including free admission to the Museum, discounts on events and lectures, and priority bookings. Patrons of the Museum receive all of the benefits of a Friends membership plus exclusive opportunities such as private tours, exhibition previews and being named on our website. The Museum is grateful for the ongoing support of its existing Friends and Patrons and continues to work with them on various projects and events, including the Insights lecture series.

Commercial activity

The Museum's trading subsidiary (The Medical Museum Trading Company Limited) generates commercial income in order to increase sustainability and financial resilience. Principal trading activities include conferencing and events, retail, cafe and the operation of our car park.

The reporting period saw a significant uplift in commercial activity compared to the previous period. The Museum shop and café re-opened on 17 May 2021 along with our public galleries. An online shop was added later in Summer 2021. While these activities were affected by the general market downturn post-COVID (particularly in the case of the Café), a collective improvement in product, quality and overall visitor experience meant that trading income per visitor has been increased from pre-closure levels.

Commercial income totalled £426,955 in the period (2020: £102,198) which makes up around 24% of unrestricted income (2020: 6%).

As in the previous year, conference business during the reporting period was significantly affected by COVID. Legal constraints continued into the first five months of the year when the Museum was subject to Tier 3 COVID restrictions, effectively proscribing, with very limited exceptions, any meeting or conference business within museums. Following this, conference bookings continued to be affected by social distancing requirements and general market conditions (including a marked downturn during the Omicron scare in late 2021/early 2022).

Thanks to a great deal of flexibility on the part of the Museum team, lost income from meetings and conferences has been offset during the period by a series of longer-term room hires to support the clinical effort against COVID and the health service more generally. These included hosting the world's first museum-based public vaccination COVID centre, from December 2020 to May 2021; hosting a series of clinical trial follow-up clinics as part of the Novovax trial, hosting Long Covid research (into 2022) and providing additional space for the Leeds Teaching Hospital Trust (LTHT) organisational learning team.

Conference delegate numbers in the period were 1,618 (2020: 957). Income from conference room hire, catering, and longer-term room hires increased to £229,092 in the period (2020: £25,033).

Car parking also continued to be impacted by COVID restrictions, the museum closure until 17 May 2021 and, following this by the generally slow pace of market recovery. Car parking income in the reporting period increased to £133,325 (2020: £76,833) – although it should be noted that the rental agreement with LTHT for clinical use of our conference spaces also included a fee for use of a limited number of parking spaces.

Following a complete refit and refresh of lines, the new museum shop opened on 17 May 2021, followed by an online shop that opened later in the Summer. Retail income during the period was £46,203. As at 31 March 2022 shop stock was valued at £20,582 (2020: £8,265).

Due to relatively low footfall, Café performance continued to be disappointing during the period. Having selected a commercial partner in 2020, continued delays to reopening and the subsequent impacts of the pandemic made the assumptions and business model developed by our partners largely redundant and it proved a challenge to find a profitable interim model. As a result, we decided to bring catering in house from 21 March 2022, with minimal stock held and a reduced 'grab and go' menu to allow us to review and plan for new market conditions. Catering stock is valued at just £1,042 in these financial statements.

Coronavirus Business Support

Financial support for the museum secured during 2020 through the Government's Coronavirus Business Support measures continued to provide some additional support for the museum during the reporting period. These measures included continued use of the furlough scheme for some staff prior to the museum reopening (representing £44,120 of furlough payments received from HMRC during

the reporting period) as well as monies carried forward from funding received in 2020 from the Culture Recovery Fund (these monies are held in our COVID resilience fund – see below).

Reserves policy

The charity's acquisition and development of its buildings 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 March 2022 was £4,980,685 (31 December 2020: £5,413,711).

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 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 March 2022, 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 March 2022 was £1,001 (2020: £1,001)
- The COVID resilience fund, established to hold the surplus of grants and other funds received in 2020 as a direct result of the COVID pandemic. In the 15 months to 31 March 2022, a number of development projects were undertaken to increase financial resilience and increase income opportunities which had been depleted/affected by the COVID pandemic. At the 31 March 2022, £52,517 of expenditure associated with these projects, including depreciation on associated assets, has been transferred from the designated fund to the general fund. The balance on this fund at 31 March 2022 was £499,813 (2020: £552,330).

The balance of general reserves including designated funds is net of a £734,393 surplus in the charity and a £15,209 surplus 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 transferred by Gift Aid into the charity's general reserve. In 2020, the loss of income due to the COVID pandemic meant that the trading subsidiary finished that year in a deficit position, with negative reserves. The small surplus balance at the end of March 2022 has been retained. As a result, no Gift Aid transfers will be made into the charity's general reserve.

The balance of general reserves at 31 March 2022, after transfers from designated funds, was £248,787 (2020: £160,784). This is a shortfall against its target of £290,000 of £41,213. Included within the £248,787 of general reserves is £237,574 of tangible fixed assets, which leaves £11,213 of free reserves at the end of March 2022 (2020: £136,072).

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 three months' operational costs to generate surplus that the Trustees will be able to use at their discretion in furtherance of the charity's objectives. A reserve of £290,000 is equivalent to three months' operational costs.

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 5 times during the period and reported on its findings to the Board of Trustees after each meeting. Progress was made during the period in improving the processes for assessing and controlling risks within the organisation, with a new corporate risk register. Mechanisms for managing cash headroom continued to be utilised.



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

The 15-month period from 1 January 2021 to 31 March 2022 was a period of rebirth and renewal for the Museum. Following an extensive and delayed period of closure and refurbishment, compounded by both the remarkable challenges of COVID and the museum's remarkable response to those challenges, the Museum finally reopened in May 2021 with 11 new galleries, new visitor facilities, a new brand and new public and learning programmes.

Thanks to the success of the Museum's fundraising during the worst period of the pandemic, combined with the continued generous support of its funders and stakeholders and the team's capacity to adapt and open up new areas of activity, such as hosting medical trials and public vaccinations, we were able to navigate the period in a resilient financial position. Despite continued market downturn, which saw many museums reduce services and implement cuts in staff and opening hours, the Thackray was able to increase its team and sustain its service in full – adding new public and community offers to its pre-closure services (such as hosting a social prescribing clinic and developing a new Under-5s space).

The improvements to the Museum's visitor offer and programme, combined with its Emerge, Adapt and Define strategy, provided a strong foundation during the reporting period for developing and sustaining the business in the immediate future. The quality of the offer has been recognised by Visit England, assessing the museum with a score of 90% during their assessment immediately after reopening in May 2021 and subsequently with a 93% score on their return in May 2022. The museum and its team have been nominated for a number of awards following reopening – perhaps most notably as finalists of the 2021 Art Fund Museum of the Year (the world's largest and most prestigious museum award).

Visitor numbers proved slow to return to pre-pandemic levels during the reporting period. A combination of hesitancy, especially among more established audiences, changed behaviours, economic pressures and periodic COVID peaks and concerns all combined to keep visitor numbers to between 60-70% of pre-pandemic levels (a pattern seen generally across the sector). However, the museum has proved effective at increasing revenue generated per visitor and also has worked to diversify and extend its audiences. Recent audience research into the 12 months following the museum's reopening shows that the museum is consistently attracting a greater number of families and young people, a greater number of local visitors and a greater number of diverse/under-represented visitors than the sector norm – early indication that the museum's increased focus on community, diversity and equity is beginning to pay off. Over the forthcoming period, we intend to build resilience into this market development through the introduction of a more socially-oriented offer within our cafe and shop and through continued development of local partnerships and initiatives, supported by our community-co-producer and Core community Hub.

Where business has fallen short of expectations, we have acted to address this. We have brought the Café operation in house and reorganised our operations team to increase management capacity. We have appointed a new Commercial and Marketing Director and we have proactively sought funding opportunities, through collaboration with research bodies, cultural organisations and local agencies.

During the period, we have instituted a new 5-year funding agreement with the Thackray Medical Research Trust and submitted our 2023-27 National Portfolio Organisation funding application (which has now been secured at standstill levels). The Museum has also actively engaged with wider networks and initiatives, to open up the potential for wider collaboration and to better establish the Thackray as an important part of the cultural ecology and economy of the region. We have

continued to actively participate in Cultural Consortium Leeds, Leeds Arts Wellbeing and Health Network, the Culture, Health and Wellbeing Alliance and the UK Medical Collections Group and our CEO has been appointed to the West Yorkshire Combined Authority's Culture, Heritage and Sport Committee.

Our Consolidation Impact and Sustainability strategy, set out in our 2022-23 Business Plan builds on the success of Emerge Adapt and Define – it is designed to be a bridge between a fluid and uncertain present and a more stable, productive and collaborative future. This will involve embedding the progress we have made in developing new relationships, offers and the core investment principles of Arts Council England's *Let's Create* strategy. It will mean taking our work with co-production and community engagement further and to greater effect – particularly in tackling head-on issues of equity, so that the museum can become a far more effective asset for community transformation. It will mean strengthening our capacity to manage (and take) risks so that we can make the most of opportunities such as Leeds 2023.

In November 2022, we were delighted to receive a further three years of regular funding from Arts Council England as one of their National Portfolio Organisations, taking us through to March 2026. This is well deserved recognition of the great success we have achieved as a team over the last four years, and the Arts Council's continued faith in Thackray will open many more doors and opportunities in the coming years. In early December, we heard that Thackray has been shortlisted for the 2023 European Museum of the Year Awards, the only UK museum represented.

Inevitably, increased profile and success does have its own costs – in the case of the Thackray, we have seen a number of team members take the next step on their careers, very much buoyed by the excellent outcomes they have helped deliver at the museum. Among others, Collections Assistant Emily Coulthard has joined the Science Museum Group to help oversee management of hazards in the collection, Community Co-producer Ranmalie Jayawardana has joined National Museums Merseyside to run a community engagement team and Programme Curator Ruth Quinn has been recruited by the Science and Media Museum as their Curator of Photography. In October 2022, our Financial Director and Chief Operating Officer joined University of Leeds Student Union as Financial Director and our CEO, Nat Edwards took on the Role of Director General and Master of the Royal Armouries.

However, the converse of this phenomenon is the capacity of the museum to attract new talent has significantly increased over the recent period. We have successfully recruited a larger and more diverse team across our Board, staff and volunteers, bringing with them a greater pool of talent, experience and perspective than ever before. Our new Commercial and Marketing Director, Rachael Palmer joined our Director of Collections and Programme, Sue Mackay, as interim co-CEO, an arrangement in place until our new CEO Edward Appleyard (currently Director of Engagement at Harewood House) joins us in early January 2023.

We have kept a tight rein on our financial management during the period – increasing our financial reserves (to £248,786) and making the most of opportunities to secure revenue. Collectively, bigger, brighter and more confident, our team are presiding over robust plans for the next period – with a prudent and achievable financial model and supported by a network of strategic partners and stakeholders that offer opportunities to militate against the external factors that challenge it.

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 AND ADMINISTRATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISORS FOR THE PERIOD ENDED 31 MARCH 2022

Trustees	Neil Kaiper-Holmes (Chairman) Michelle Barry (appointed 18 October 2022) Steven Clegg (resigned 20 July 2021) Martin Dixon (appointed 18 October 2022) Samuel Dixon (appointed 8 February 2022) Andrew Fotherby (resigned 20 July 2021) Nicole Fowler (appointed 18 October 2021) Hannah Fox (appointed 18 October 2021) Mark Goldstone (resigned 17 October 2022) Aidan Hindley (appointed 18 October 2021) David Hopes (appointed 18 October 2021) Dean Jowett (resigned 21 October 2021) Atia Khan (appointed 18 October 2021) Philip Quirke (resigned 20 April 2021) Nosober Latif Sharon Heal Simon Kay Joanna Norry
Company registered number	02772412
Charity registered number	1016169
Registered office	Beckett Street Leeds LS9 7LN
Company Secretary	Rachael Palmer
Interim Co-Chief Executive Officers	Sue Mackay and Rachael Palmer
Independent Auditor	Saffery Champness LLP Mitre House North Park Road Harrogate HG1 5RX
Principal Bankers	Virgin Money Plc (formerly Yorkshire Bank, Plc) 94-96 Briggate Leeds LS1 6NP

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 Museum Company is governed by its Memorandum and Articles 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 and 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 2021/22, board sub-committees met as follows:

The Risk & Audit Committee met 5 times under the chairmanship of Steven Clegg (until July 2021), Neil Kaiper-Holmes (from August 2021 to April 2022), and Nicole Fowler (from May 2022.

The Capital Development sub-committee had met regularly during the capital development project under the chairmanship of Andrew Fotherby; however, this committee was disbanded with effect from January 2021 once the project was deemed complete.

The Collections, Research and Learning sub-committee met 4 times under the chairmanship of Philip Quirke (until April 2021) and Jo Norry (from May 2021).

The Remuneration sub-committee met 3 times 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 2021/22, 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.

Members of the executive team as at 31 March 2022 were:

Nathan Edwards, Chief Executive Officer

Rachel Emmott, Finance Director and Chief Operating Officer

Susan Mackay, Collections and Programming Director

Sofi Lundgren, Director of Development, commenced a 2.5 year career break in October 2021.

Rachael Palmer was appointed as Commercial and Marketing Director in July 2022.

In October 2022, our Financial Director and Chief Operating Officer Rachael Emmott joined the University of Leeds Student Union as Director of Finance and Risk. Financial management in the interim (prior to appointment of a new FD) will be provided by Adding Value Ltd.

Also in October 2022 our CEO Nat Edwards joined the Royal Armouries. Rachael Palmer and Sue Mackay are acting as interim co-CEO while a search is undertaken, led by a search committee of Trustees, overseen by the Chairman and supported by Charity People Limited. This resulted in Edward Appleyard being recruited as permanent CEO. Edward is due to take up the post in early January 2023.

Recruitment and appointment of Trustees

The Trustees may from time to time appoint further Trustees. Trustees hold office only until the third Annual General Meeting after appointment and are eligible for re-appointment. 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 and 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 latest 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.

Related parties

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

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.

During the period the Museum received the following from the Thackray Medical Research Trust:

- An annual support grant of £206,250;
- £14,840 towards the implementation of the new collections management system (out of a total £50,000 project being supported in full by the TMRT).

Governing document, objects and 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 14 December 2022 and signed on their behalf by

CKaiper-Holmes
CKaiper-Holmes (Dec 14, 2022 16:21 GMT)

N Kaiper-Holmes
Chairman



FINANCIAL REPORT

The Trustees present their report and audited financial statements of the charity and group for the extended period ended 31 March 2022 (15 months). The comparative figures cover the year ended 31 December 2020 (12 months).

Financial review

Movement in total funds

Total funds of the Museum and its trading subsidiary decreased by £397,540 in the 15 months to 31 March 2022, with a period-end balance of £5,730,286. This compares with an increase in the previous 12 month period of £841,485. The main elements of the overall increase are:

- A decrease in restricted funds of £433,226
- An increase in unrestricted general funds of £88,003
- A decrease in unrestricted designated funds of £52,517

The Board of Trustees and Executive 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 in 2018 has proved fundamental to allowing the Museum to recruit and support key personnel to work towards our strategic aims.

The capital development project aimed 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. The COVID pandemic disrupted the short term impact of the capital development project, but the financial results presented within these accounts show that the Museum is making progress towards building its financial resilience.

Restricted funds

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

- receipts of grants 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 £36,123 (2020: £491,822). Expenditure on such projects was £501,737 (2020: £378,073). Of this, £376,695 was depreciation against capitalised items, including the Museum building, *A Healthy Future* capital work and *The Nerve Centre* capital work. A further £43,971 was capitalised during the period. After a transfer of £32,588 from the general fund (2020: £20,242 transfer out), there was a net decrease of restricted funds of £433,226 (2020: increase of £133,911).

The depreciation charge against the Museum buildings remains modest at £44,851.

Designated funds

The designated funds hold amounts set aside to meet the expected cost of exceptional or unusual projects planned for the future. During the period, the charity designated £nil (2020: £552,330) of its unrestricted general fund surplus towards designated funds. In the 15 months to 31 March 2022, the Museum expended £52,517 from its COVID resilience designated fund, funding assets and expenditure incurred in line with the purpose of this fund.

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 £88,003 increase compared with a £155,164 increase 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 if financial statements may differ from legislation in other jurisdictions.

CKaiper-Holmes
CKaiper-Holmes (Dec 14, 2022 16:21 GMT)

N. Kaiper-Holmes

Trustee

Nicki Fowler (Dec 14, 2022 16:24 GMT)

N. Fowler

Trustee

Date: 14 December 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE THACKRAY MEDICAL MUSEUM COMPANY LIMITED

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 period ended 31 March 2022 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 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the period 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.

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.

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.

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 sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 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.

Saffery Champness LLP

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

Chartered Accountants

Statutory Auditors
Mitre House
North Park Road
Harrogate
HG1 5RX
North Yorkshire

Date. 16 December 2022

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 FOR THE 15 MONTHS ENDED 31 MARCH 2022 (INCORPORATING STATUTORY INCOME & EXPENDITURE ACCOUNT)

	Note	Unrestricted funds	Designated funds	Restricted funds	Total funds 2022	Total funds 2020
		£	£	£	£	£
Income from:						
Donations and legacies	3	243,630	-	22,940	266,570	465,896
Charitable activities	4	934,342	-	13,183	947,525	1,393,419
Other trading activities	5	426,955	-	-	426,955	102,198
Other	6	111,767	-	-	111,767	119,772
Total		**1,716,694**	**-**	**36,123**	**1,752,817**	**2,081,285**
Expenditure on:						
Raising funds	7	116,530	-	41,247	157,777	31,215
Charitable activities	8	1,522,837	-	415,639	1,938,476	1,172,704
Other expenditure	8	9,253	-	44,851	53,104	35,881
Total		**1,648,620**	**-**	**501,737**	**2,150,357**	**1,239,800**
Net income/(expenditure)		**68,074**	**-**	**(465,614)**	**(397,540)**	**841,485**
Transfers between funds	19	19,929	(52,517)	32,588	-	-
Net movement in funds		**88,003**	**(52,517)**	**(433,026)**	**(397,540)**	**841,485**
Reconciliation of funds:						
Total funds brought forward		160,784	553,331	5,413,711	6,127,826	5,286,341
Total funds carried forward	18, 19	**248,787**	**500,814**	**4,980,685**	**5,730,286**	**6,127,826**

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 30 to 50 form part of these financial statements.

BALANCE SHEETS AT 31 MARCH 2022

	Note	Group		Charity	
		31 March 2022	31 December 2020	31 March 2022	31 December 2020
		£	£	£	£
Fixed assets					
Tangible: Museum buildings and displays	12	4,871,217	5,204,068	4,869,707	5,204,059
Tangible: Other	12	318,689	150,619	246,805	86,921
Investments	14	-	-	2	2
Total fixed assets		**5,189,906**	**5,354,687**	**5,116,514**	**5,290,982**
Current assets					
Stocks	15	20,582	8,265	-	-
Debtors	16	485,178	844,275	626,806	957,939
Cash at bank and in hand		480,629	1,061,702	407,110	1,035,205
Total current assets		**986,389**	**1,914,242**	**1,033,916**	**1,993,144**
Creditors: Amounts falling due within one year	17	(311,747)	(937,399)	(301,091)	(909,986)
Net current assets		**674,642**	**976,843**	**732,825**	**1,083,158**
Total assets less current liabilities		**5,864,548**	**6,331,530**	**5,849,339**	**6,364,140**
Liabilities: Amounts falling due in more than one year	17	(134,262)	(203,704)	(134,262)	(203,704)
Net Assets		**5,730,286**	**6,127,826**	**5,715,077**	**6,170,436**
The funds of the charity:					
Unrestricted income funds	19	749,601	714,115	734,392	756,725
Restricted funds	18	4,980,685	5,413,711	4,980,685	5,413,711
Total funds		**5,730,286**	**6,127,826**	**5,715,077**	**6,170,436**

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 14 December 2022 and signed on its behalf by:

CKaiper-Holmes
CKaiper-Holmes (Dec 14, 2022 16:21 GMT)

Nicki Fowler (Dec 14, 2022 16:24 GMT)

N. Kaiper-Holmes
Trustee

N. Fowler
Trustee

The notes on pages 30 to 50 form part of these financial statements.

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE 15 MONTHS ENDED 31 MARCH 2022

	Note	Group		Charity	
		15 months ended 31 March 2022	12 months ended 31 December 2020	15 months ended 31 March 2022	12 months ended 31 December 2020
		£	£	£	£
Cash flows from operating activities:					
Net cash generated by operating activities	24	**(209,292)**	**2,823,343**	**(285,625)**	**2,782,987**
Cash flows from investing activities:					
Interest income		235	251	235	251
Purchase of tangible fixed assets		(311,831)	(2,217,751)	(282,520)	(2,155,533)
Net cash provided by investing activities		**(311,596)**	**(2,217,500)**	**(282,285)**	**(2,155,282)**
Cash flows from financing activities:					
(Repayment of CBIL)/Proceeds from CBIL		(60,185)	250,000	(60,185)	250,000
Net cash (used)/provided by financing activities		**(60,185)**	**250,000**	**(60,185)**	**250,000**
Increase/(decrease) in cash and cash equivalents in the year		**(581,073)**	**855,843**	**(628,095)**	**877,705**
Cash and cash equivalents at the beginning of the year		**1,061,702**	**205,859**	**1,035,205**	**157,500**
Cash and cash equivalents at the end of the year		**480,629**	**1,061,702**	**407,110**	**1,035,205**

	Group			Charity		
Reconciliation of net debt	Cash £	Debt £	Net Cash/ (Debt) £	Cash £	Debt £	Net Cash/ (Debt) £
Balance brought forward at 1st January 2021	**1,061,702**	**(250,000)**	**811,702**	**1,035,205**	**(250,000)**	**785,205**
Repayment of CBIL	-	60,185	60,185	-	60,185	60,185
Cash used	(581,073)	-	(581,073)	(628,095)	-	(628,095)
Balance carried forward at 31st March 2022	**480,629**	**(189,815)**	**290,814**	**407,110**	**(189,815)**	**217,295**

NOTES TO THE FINANCIAL STATEMENTS FOR THE 15 MONTHS ENDED 31 MARCH 2022

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 Report 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 meet the definition of a public benefit entity under FRS 102. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are round to the nearest £.

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

- Following an extensive and delayed period of closure and refurbishment, the Museum reopened in May 2021 with 11 new galleries, new visitor facilities, a new brand and new public and learning programmes.
- Thanks to the success of the Museum's fundraising during the worst period of the pandemic and the team's capacity to adapt, we were able to navigate the period in a resilient financial position. Thackray was able to increase its team and sustain its service in full – adding new public and community offers to its pre-closure services.
- These and other improvements provided a strong foundation during the reporting period for developing and sustaining the business. The quality of the offer has been recognised by Visit England, assessing the museum attraction with a quality score of 93%. The museum was a finalist of the 2021 Art Fund Museum of the Year.
- Visitor numbers proved slow to return to pre-pandemic levels during the reporting period. However, the museum has proved effective at increasing revenue generated per visitor and also has worked to diversify and extend its audiences. Over the forthcoming period, we intend to build resilience into this market development through the introduction of a more socially-oriented offer within our cafe and shop and through continued development of local partnerships and initiatives, supported by our community-co-producer and Core community Hub.
- We have brought the Café operation in house and reorganised our operations team to increase management capacity. We have appointed a new Commercial and Marketing Director and we have proactively sought funding opportunities, through collaboration with research bodies, cultural organisations and local agencies.
- During the period, we have instituted a new 5-year funding agreement with the Thackray Medical Research Trust and successfully secured 2023-26 National Portfolio Organisation funding (worth circa £225K per annum).
- Our Consolidation Impact and Sustainability strategy, set out in our 2022-23 Business Plan, is designed to be a bridge between a fluid and uncertain present and a more stable, productive and collaborative future. This will involve embedding the core investment principles of Arts Council England's *Let's Create* strategy. It will mean taking our work with co-production and community engagement further and to greater effect. It will mean strengthening our capacity to manage (and take) risks so that we can make the most of opportunities such as Leeds 2023.
- We have grown our financial reserves over the period, to provide a foundation for resilience
- With a solid plan for continuity in place, our team are presiding over robust plans for the next period – with a prudent and achievable financial model and supported by a network of strategic partners and stakeholders that offer opportunities to militate against the external factors that challenge it.

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.

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 period includes a deficit of £455,360 (2020: surplus £915,879) 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.

Reporting period

The accounts have been made up to the period ended 31 March 2022. The comparative period is made up to 31 December 2020. This has been done to bring the reporting date in line with that of several key funders, and with the legal authority of the company's articles of association under the Companies Act 2006. Comparative amounts presented in these financial statements (including the related notes) are not entirely comparable.

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. If a project costs less than the amount transferred to 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).

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.

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
A Healthy Future 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.

2 Comparative SOFA information

	Unrestricted General £	Designated Funds £	Restricted Funds £	2020 Total Funds £
Income and endowments from:				
Donations and legacies	403,153	-	62,743	465,896
Charitable activities	964,340	-	429,079	1,393,419
Other trading	102,198	-	-	102,198
Other	119,772	-	-	119,772
Total	**1,589,463**	**-**	**491,822**	**2,081,285**
Expenditure on:				
Raising funds	31,215	-	-	31,215
Charitable activities	830,512	-	342,192	1,172,704
Other	-	-	35,881	35,881
Total	**861,727**	**-**	**378,073**	**1,239,800**
Net Income	**727,736**	**-**	**113,749**	**841,485**
Transfers between funds	(572,572)	552,330	20,242	-
Net movement in funds	**155,164**	**552,330**	**133,991**	**841,485**
Reconciliation in funds:				
Total funds brought forward	5,620	1,001	5,279,720	5,286,341
Total funds carried forward	**160,784**	**553,331**	**5,413,711**	**6,127,826**

3 Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	15 months to 31 March 2022 £	12 months to 31 December 2020 £
The Thackray Medical Research Trust:				
Research resource grant	206,250	-	206,250	165,000
Additional revenue grant	-	-	-	50,000
Collections management system	-	14,840	14,840	21,096
COVID support grant	-	-	-	188,110
Friends of the Thackray Medical Museum:				
Donation towards *A Healthy Future*	-	-	-	10,000
Friends & Patrons Memberships	4,128	-	4,128	-
Other donations towards *A Healthy Future*		8,100	8,100	31,647
Other awards	33,252	-	33,252	43
Total income from donations and legacies	**243,630**	**22,940**	**266,570**	**465,896**

4 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	15 months to 31 March 2022 £	12 months to 31 December 2020 £
Grants receivable:				
Arts Council England	508,702	-	508,702	590,652
The Thackray Medical Research	-	-	-	181,890
National Lottery Heritage Fund	-	4,000	4,000	325,200
Wolfson Foundation	-	-	-	120,000
Garfield Weston Foundation	50,000	-	50,000	30,000
Scurrah Wainwright	5,000	-	5,000	-
Wades Charity	5,000	-	5,000	-
Arnold Burton Trust	-	-	-	10,000
Esmee Fairbairn	-	-	-	23,414
University of Leeds	-	8,333	8,333	-
Government CJRS grant	44,120	-	44,120	91,794
Government CBIL interest grant	6,150	-	6,150	4,100
Other	-	-	-	9,175
Admission income	314,370	-	314,370	7,194
Other income	1,000	850	1,850	-
Total income from charitable activities	**934,342**	**13,183**	**947,525**	**1,393,419**

5 Commercial trading operations

The charity has one wholly-owned trading subsidiary, The Medical Museum Trading Company Limited (Company No. 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

	15 months to 31 March 2022 £	12 months to 31 December 2020 £
Turnover	**426,955**	102,198
Cost of sales and administrative costs	**(369,133)**	(176,592)
Operating profit	**57,820**	(74,394)
Interest receivable	**-**	-
Gift aid obligation and donations to the charity	**-**	-
Retained in subsidiary	**57,820**	(74,394)

Balance Sheet		
Assets	**200,223**	**112,540**
Liabilities	**(185,014)**	**(155,153)**
Funds	**15,209**	**(42,613)**

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, after retaining surpluses to the extent that its directors consider necessary to provide working capital for its business. In 2020, the loss of income due to the COVID pandemic meant that the trading subsidiary finished that year in a deficit position, with negative reserves. The small surplus balance at the end of March 2022 (£15,209) has been retained. As a result, no Gift Aid transfers will be made into the charity's general reserve.

6 Other Income

	Unrestricted Funds £	Restricted Funds £	15 months to 31 March 2022 £	12 months to 31 December 2020 £
Bank interest receivable	235	-	235	251
Event and sundry income	32,752	-	32,752	12,950
Income from disposal of assets	2,000	-	2,000	-
Museums and Galleries Tax Relief	76,780	-	76,780	106,571
Total other income	**111,767**	**-**	**111,767**	**119,772**

7 Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	15 months to 31 March 2022 £	12 months to 31 December 2020 £
Trading company expenditure	62,038	-	62,038	17,408
Raising public awareness of the Museum	54,492	41,247	95,739	13,807
Total expenditure on raising funds	**116,530**	**41,247**	**157,777**	**31,215**

8 Analysis of expenditure on charitable activities

	15 months to 31 March 2022			12 months to 31 December 2020		
	General £	Designated £	Restricted £	General £	Designated £	Restricted £
Salaries, national insurance and pension costs	905,988	-	-	583,118	-	-
Related staff costs	15,894	-	-	9,331	-	-
Other office costs	89,390	-	-	43,989	-	-
Professional services	21,238	-	-	27,782	-	-
Insurance	45,686	-	-	33,563	-	-
Utility services and supplies	61,561	-	-	24,762	-	-
Operation of Museum building	197,200	-	-	44,651	-	-
Temporary	-	-	-	-	-	-
Depreciation of assets	53,347	-	377,552	11,800	-	27,664
Academic, education and access	67,215	-	38,087	8,127	-	27,073
Event costs	2,368	-	-	1,479	-	-
Collection maintenance	37,179	-	-	14,604	-	1,013
Capital development costs	-	-	-	-	-	286,442
Governance costs	28,919	-	-	23,206	-	-
Interest Payable	6,105	-	-	4,100	-	-
Sub-total expenditure on charitable activities	**1,532,090**	**-**	**415,639**	**830,512**	**-**	**342,192**
Depreciation of Museum Building	-	-	44,851	-	-	35,881
Total expenditure on charitable activities	**1,532,090**	**-**	**460,490**	**830,512**	**-**	**378,073**
Grand Total			**1,992,580**			**1,208,585**

9 Analysis of governance and support costs

	General support £	Governance £	15 months to 31 March 2022 £	12 months to 31 December 2020 £
Legal and other	3,885	-	3,885	1,206
Trustee meetings and expenses	-	284	284	-
Audit and related services	-	24,750	24,750	22,000
Total	**3,885**	**25,034**	**28,919**	**23,206**

10 Net income/(expenditure) for the year

	15 months to 31 March 2022 £	12 months to 31 December 2020 £
This is stated after charging:		
Depreciation	475,750	88,966
Auditor's remuneration:		
Audit fees	14,950	14,700
Non-audit fees	7,050	7,300
Other audit fees	2,750	-

11 Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

Staff costs	15 months to 31 March 2022 £	12 months to 31 December 2020 £
Wages and salaries (including temporary assignments)	819,754	527,357
Social security costs	63,592	39,997
Pension costs	22,642	15,765
Total staff costs	**905,988**	**583,119**

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.

There was one employee paid between £60,000 and £70,000 in the period (2020: one).

Trustee remuneration and expenses	15 months to 31 March 2022 £	12 months to 31 December 2020 £
Remuneration	-	-
Travel and subsistence expenses paid to 0 (2020: 0) Trustees during the year	-	-
Total Trustee remuneration and expenses	**-**	**-**

The average headcount was 38 (2020: 30) and the average monthly number of full-time equivalent employees (including part-time and Trustees, who are not staff) during the period, analysed by function, was:

	15 months to 31 March 2022	12 months to 31 December 2020
Museum and trading activities	22	16
Management and administration of charity	4	4
Trustees/directors[1]	12	10
	38	**30**

The key management personnel of the group comprise the Trustees and the Executive team. The combined employee benefits of the Executive team in the 15 months ended 31 March 2022 totalled £238,512 (2020: £198,341).

[1]Trustees are not remunerated.

12 Tangible fixed assets

Group:

	Long leasehold land and buildings	A Healthy Future Building Improvements /Infrastructure	Museum displays	Fittings and computer equipment	Total
	£	£	£	£	£
Cost:					
At 1st January 2021	2,825,604	2,249,325	1,083,030	265,142	6,423,101
Additions	-	15,619	22,516	273,696	311,831
Transfer	-	-	1,500	(1,500)	-
Disposals	-	-	(66,101)	(45,975)	(112,076)
At 31st March 2022	**2,825,604**	**2,264,944**	**1,040,945**	**491,363**	**6,622,856**
Depreciation:					
At 1st January 2021	850,060	-	103,831	114,523	1,068,414
Charge for year	44,851	188,745	138,028	104,126	475,750
Disposals	-	-	(65,239)	(45,975)	(111,214)
At 31st March 2022	**894,911**	**188,745**	**176,620**	**172,674**	**1,432,950**
Net book value:					
At 31st March 2022	**1,930,693**	**2,076,199**	**864,325**	**318,689**	**5,189,906**
At 31st December 2020	1,975,544	2,249,325	979,199	150,619	5,354,687
Analysis of net book value:					
Restricted assets	1,930,693	2,076,199	847,074	98,366	4,952,332
Unrestricted assets	-	-	17,251	220,323	237,574
Total	**1,930,693**	**2,076,199**	**864,325**	**318,689**	**5,189,906**

All of the assets are held as functional assets. The assets relating to *A Healthy Future* and the *Nerve Centre*, were brought into use in 2021 and are being depreciated from that date in accordance with the Museum's depreciation policy.

Charity:

	Long leasehold land and buildings	A Healthy Future Building Improvements /Infrastructure	Museum displays	Fittings and computer equipment	Total
	£	£	£	£	£
Cost:					
At 1st January 2021	2,825,604	2,249,325	1,083,030	199,108	6,357,067
Additions	-	15,619	22,516	244,385	282,520
Transfer	-	-	-	-	-
Disposals	-	-	(66,102)	(44,889)	(110,991)
At 31st March 2022	**2,825,604**	**2,264,944**	**1,039,444**	**398,604**	**6,528,596**
Depreciation:					
At 1st January 2021	850,060	-	103,840	112,187	1,066,087
Charge for year	44,851	188,745	138,028	84,501	456,125
Disposals	-	-	(65,238)	(44,889)	(110,127)
At 31st March 2022	**894,911**	**188,745**	**176,630**	**151,799**	**1,412,085**
Net book value:					
At 31st March 2022	**1,930,693**	**2,076,199**	**862,815**	**246,805**	**5,116,512**
At 31st December 2020	1,975,544	2,249,325	979,190	86,921	5,290,980
Analysis of net book value:					
Restricted assets	1,930,693	2,076,199	845,564	45,222	4,897,678
Unrestricted assets	-	-	17,251	201,583	218,834
Total	**1,930,693**	**2,076,199**	**862,815**	**246,805**	**5,116,512**

All of the assets are held as functional assets. The assets relating to *A Healthy Future* and the *Nerve Centre*, were brought into use in 2021 and are being depreciated from that date in accordance with the Museum's depreciation policy.

13 Summary of analysis of Heritage Asset transactions

	2022	2020	2019	2018	2017
	£	£	£	£	£
Object additions	1,600	668	59	476	2,948
Trade catalogue additions	1,020	415	80	1,539	6,175
Book additions	1,152	320	100	487	2,245
Total additions	**3,772**	**1,403**	**239**	**2,502**	**11,368**

The table above sets out Heritage assets acquired by the Museum in 2017, 2018, 2019, 2020 and 15 months to 31 March 2022 which are considered to have a monetary value. As part of the collections rationalisation programme described on page 8 there were 54 disposals of assets during the reporting period, 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 individual additions nor shows them on the balance sheet.

14 Investments

Investments amounting to £2 (2020: £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 2022	Group 2020	Charity 2022	Charity 2020
	£	£	£	£
Goods for resale	20,582	8,265	-	-

16 Debtors

	Group 2022	Group 2020	Charity 2022	Charity 2020
	£	£	£	£
Amounts falling due within one year:				
Debtors in the ordinary course of activities	33,536	43,810	14,963	33,750
Prepayments and accrued income	427,531	719,044	413,375	715,035
HMRC VAT Debtor	-	79,472	-	79,472
Gift aid recoverable	18,531	1,949	18,531	1,949
Amount owed by subsidiary	-	-	174,357	127,733
Other Debtors	5,580	-	5,580	-
	485,178	**844,275**	**626,806**	**957,939**

Debtors *(continued ...)*

Accrued Income

	Group 2022 £	Group 2020 £	Charity 2022 £	Charity 2020 £
Balance b/f	686,576	2,016,541	683,188	2,016,541
Amounts released to income earned from charitable activities:				
- National Lottery Heritage Fund	(248,719)	(1,090,800)	(248,719)	(1,090,800)
- Wellcome Trust	-	(510,124)	-	(510,124)
- TMRT – additional revenue grant	(12,500)	-	(12,500)	-
- Museums and Galleries Tax Relief	(106,571)	-	(106,571)	-
Other	(7,288)	(30,000)	(3,900)	(30,000)
Amounts accrued in year:				
- National Lottery Heritage Fund	-	174,600	-	174,600
- Wellcome Trust	-	-	-	-
- TMRT – CMS	6,960	12,500	6,960	12,500
- HMRC Museum & Gallery tax relief	-	106,571	-	106,571
- Other	14,103	7,288	785	3,900
Balance c/f	**332,561**	**686,576**	**319,243**	**683,188**

17 Creditors

Creditors < 1 year

	Group 2022 £	Group 2020 £	Charity 2022 £	Charity 2020 £
Amounts falling due within one year:				
Creditors in the ordinary course of activities	74,253	589,429	67,427	586,775
Taxation and social security	10,732	11,285	10,732	11,285
VAT Creditor	18,327	-	18,327	-
Accruals and deferred income	152,771	286,508	148,940	261,746
Other creditors	108	3,884	109	3,884
Coronavirus Business Interruption Loan	55,556	46,296	55,556	46,296
	311,747	**937,402**	**301,091**	**909,986**

Creditors *(continued...)*

Deferred Income

	Group 2022 £	Group 2020 £	Charity 2022 £	Charity 2020 £
Balance b/f	70,718	95,659	53,048	95,659
Amounts released in year:				
- Thackray Medical Research Trust	-	(41,250)	-	(41,250)
- Arts Council England	(53,048)	(54,409)	(53,048)	(54,409)
- Other	(17,670)	-	-	-
Amounts accrued in year:				
- Thackray Medical Research Trust	-	-	-	-
- Arts Council England	-	53,048	-	53,048
- Other	1,600	17,670	-	-
Balance c/f	**1,600**	**70,718**	**-**	**53,048**

Creditors > 1 year

	Group 2022 £	Group 2020 £	Charity 2022 £	Charity 2020 £
Coronavirus Business Interruption Loan	134,262	203,704	134,262	203,704
	134,262	**203,704**	**134,262**	**203,704**

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 is being repaid over 54 months in equal instalments from March 2021 at an interest rate of 4% above the Bank of England. The loan will be fully repaid by the end of August 2025.



18 Analysis of charitable funds

Analysis of movements in restricted funds

Group and charity

	Balance 1 January 2021	Incoming Resources	Outgoing Resources	Transfers	Balance 31 March 2022
	£	£	£	£	£
Establishment of the Museum:					
Ashley Wing conversion	1,975,544	-	(44,851)	-	1,930,693
Specific projects:					
The Thackray Medical Research Trust					
(a) Collection management system	21,894	14,840	(19,547)	-	17,187
(b) Fire alarm system	31,901	-	(15,231)	1,023	17,693
Other					
(c) Downs Collection	100	-	-	-	100
(d) Wilkinson Gallery Development	321	-	-	-	321
(e) Oxford Knee Archive	6,936	-	-	-	6,936
(f) Friends' Contribution to Legacy Marketing	1,700	-	-	-	1,700
(g) ACE MRF Close Connections Audience Development	18,405	-	(17,123)	(1,082)	200
(h) MDY GIS Space	23,279	-	(12,500)	960	11,739
(i) *A Healthy Future* capital project	40,152	8,100	(65,498)	17,246	-
(j) *A Healthy Future* capital project – capitalised costs	3,191,756	-	(293,316)	8,079	2,906,519
(k) The Nerve Centre	5,008	-	(2,012)	(2,996)	-
(l) The Nerve Centre – capitalised costs	69,992	-	(7,160)	9,533	72,365
(m) Acquisitions Fund	989	850	(558)	-	1,281
(n) Esmee Fairbairn Sustaining Engagement	15,734	-	(14,802)	(175)	757
(o) The Monty Lozsowsky Memorial Prize sponsored by One Medical	10,000	-	(1,000)	-	9,000
(p) Can Robots Care in partnership with the University of Leeds	-	8,333	(8,139)	-	194
(q) National Lottery Heritage Fund: Heritage Trade Up Grant	-	4,000	-	-	4,000
	5,413,711	**36,123**	**(501,737)**	**32,588**	**4,980,685**

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 2021/22 reflect the TMRT's contribution towards the final phase of system installation/commissioning, and system support. The outgoing resources reflect the depreciation of the capitalised system and support fees.

(b) TMRT Fire Alarm System
As part of the MDY GIS space grant – see (l) 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 5 years. The transfer is in relation to some costs which have been re-allocated against the general fund.

(c) 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 the near future.

(d) Wilkinson Gallery Development
The Museum received funding of £10,000 from the Thackray Medical Research Trust 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 2022/23.

(e) Oxford Knee Archive

The Museum received funding of £10,450 from a variety of sources (£5,000 Thackray Medical Research Trust, £4,450 Friends of Thackray 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 this, together with the balance brought forward from 2016, will be used to develop documentation and a publication by the PhD student currently working on the collection.

(f) 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. This fund was included in the latest Fundraising Strategy and plans will be developed in 2022/23 to expend the balance.

(g) 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. Just £200 remains in this fund at the 31 March 2022, relating to depreciation on assets which will be charged in 2022/23. The transfer relates to costs identified as having been incurred in the general fund which should have been charged against this fund.

(h) 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 5 years.

(i) *A Healthy Future* capital project – income and expenditure

(j) *A Healthy Future* capital project – capitalised items

Combined commentary on (i) and (j)

A Healthy Future project was a pivotal project in the Museum's history with a value of £4.2m. It comprised building works, new public access and facilities and a refurbishment of 11 galleries, which were refreshed, redesigned and reimagined. The physical works were supported by an imaginative activity plan which continues into 2022/23.

The physical project works reached practical completion in autumn 2020, and further fit-out works to communal spaces such as the shop and café/kitchen were completed in later 2020/early 2021.

Capitalised items are captured in (j) and are being depreciated through this fund in line with the Museum's depreciation policy (5-15 years depending on their asset category).

The last of the income towards the project was received during the period, and expenditure was incurred on things like publicity and marketing, evaluation, and planned activities.

The transfers represent reconciliations between the restricted and unrestricted elements of the project, which will now unwind over the life of the assets it funded.

(k) The Nerve Centre – income and expenditure

(l) The Nerve Centre – capitalised items

Combined commentary on (k) and (l):

The Nerve Centre is the ground floor area of the Museum building which is our dedicated schools/learning area. The redevelopment of this area fell outside of the scope of *A Healthy Future* capital project and was a self-contained but complimentary project to *A Healthy Future*. The project included creating a new, dedicated schools' entrance and reception, and configuring space to create versatile and modern learning spaces.

£77,000 was received through generous funding from the Thackray Medical Research Trust (£70,000), the Charles and Elise Sykes Trust (£5,000), and the Penny Wake Foundation (£2,000). The full amount of funding has been expended on eligible capital spend.
The Nerve Centre project was completed in 2021 and the assets are being depreciated over 4-15 years according to their asset category.

(m) 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.

(n) Esmee Fairbairn Sustaining Engagement

The Museum secured £23,414 of funding through the Museum 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. The resources were rolled out in 2021 and there is a small balance on the fund at the end of March 2022.

(o) The Monty Lozsowsky Memorial Prize sponsored by One Medical

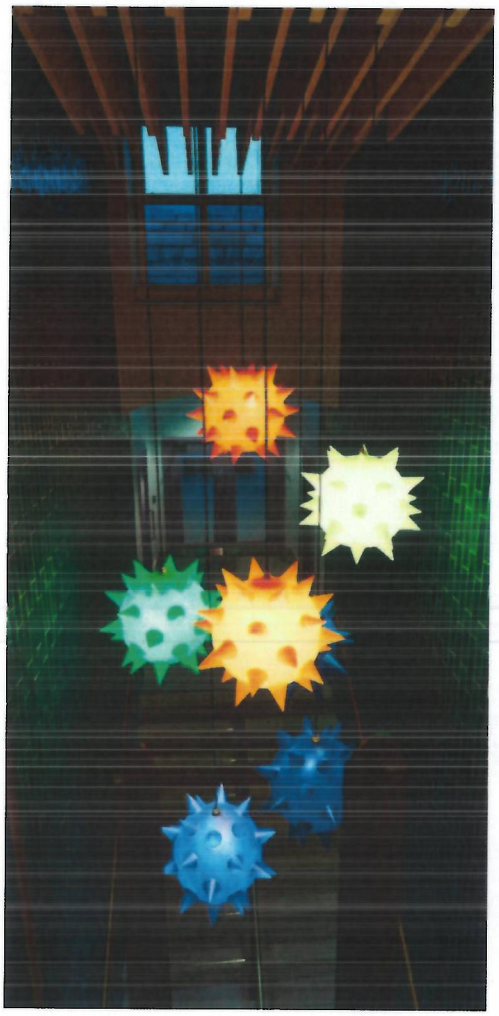
This relates to sponsorship of the Monty Losowsky Memorial Lectures which will be held annually in memory of our late co-founder who was a long term champion and friend of the Museum. The first £1,000 prize was awarded in the period ended 31 March 2022.

(p) National Lottery Heritage Fund: School of Social Entrepreneurs Heritage Trade Up grant

The Heritage Trade Up Programme is run by the School for Social Entrepreneurs and is supported by The National Heritage Lottery Fund.

The programme supports leaders of heritage organisations to develop and strengthen their entrepreneurialism, to equip organisations with the skills and networks needed to be more innovative, increase traded income and financial resilience, and to create positive change within their organisations and communities. Rachel Emmott, Finance Director & Chief Operating Officer, completed the programme on behalf of the Museum in 2022/23, with the project to bring the café operations in-house being the focus on the increase in trading income.

The Museum claimed £4,000 of the £10,000 Trade Back grant in the 15 month period to 31 March 2022. The remaining £6,000 will be claimed in 2022/23 and eligible costs relating to the café project and back-filling of staff time will be allocated against the grant, in accordance with the grant conditions.



19 Analysis of group movements in unrestricted funds

	Balance 1 January 2021	Incoming resources	Resources expended	Transfers	Funds 31 March 2022
	£	£	£	£	£
General fund	160,784	1,716,694	(1,648,620)	19,929	248,787
Museum development and maintenance fund	1,001	-	-	-	1,001
Museum COVID resilience fund	552,330	-	-	(52,517)	499,813
	714,115	**1,716,694**	**(1,648,620)**	**(32,588)**	**749,601**

Analysis of group assets between funds 31 March 2022

	Tangible Fixed Assets	Bank balances	Other net assets	31 March 2022 Total
	£	£	£	£
Restricted Funds	4,952,332	(226,085)	254,438	4,980,685
Unrestricted funds - General	237,574	205,900	(194,687)	248,787
- Designated	-	500,814	-	500,814
Total	**5,189,906**	**480,629**	**59,751**	**5,730,286**

Analysis of group assets between funds 31 December 2020

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

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.

23 Related party transactions

During the period, 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 a support grant of £206,250 (2020: £165,000), additional support grants totalling £nil (2020: £238,110), and restricted funding of £14,840 (2020: £202,986).

During the period, sales of £441 (2020: £108) were made by the Museum's subsidiary Trading company to The Thackray Medical Research Trust.

During the 15 months to 31 March 2022, The Thackray Medical Museum made purchases of £1,087 (2020: £492) from the subsidiary Trading company. A management charge of £302,218 (2020: £152,737) from the Museum to the Trading company has been charged. No gift aid has been made from the Trading company to the Museum (2020: £nil).

Throughout the period, 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 March 2022, the Trading company owes the Museum £174,237 (31 December 2020: £127,733).

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

	Group		Charity	
	15 months to 31 March 2022	12 months to 31 December 2020	15 months to 31 March 2022	12 months to 31 December 2020
	£	£	£	£
Net movement in funds	(397,540)	841,485	(455,361)	915,877
Add back depreciation charge	475,750	88,966	456,125	88,283
Profit/(loss) on disposal of assets	862	13,496	864	13,505
Deduct interest income	(235)	(251)	(235)	(251)
(Increase)/Decrease in stock	(12,317)	(6,961)	-	-
Decrease/(Increase) in debtors	359,097	1,439,249	331,133	1,335,928
(Decrease)/Increase in creditors	(695,094)	447,359	(678,336)	429,645
Add back CBIL repayments	60,185	-	60,185	-
Net cash generated by operating activities	**(209,292)**	**2,823,343**	**(285,625)**	**2,782,987**

25 Capital and other commitments

	Group		Charity	
	15 months to 31 March 2022 £	12 months to 31 December 2020 £	15 months to 31 March 2022 £	12 months to 31 December 2020 £
Contracted for but not provided in the financial statements	70,704	-	70,704	-

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

	Group		Charity	
	15 months to 31 March 2022 £	12 months to 31 December 2020 £	15 months to 31 March 2022 £	12 months to 31 December 2020 £
Within 1 year	2,989	4,335	2,541	2,541
Between 2 and 5 years	5,539	9,612	5,539	8,715
In over 5 years	-	-	-	-
	8,528	13,947	8,080	11,256

