

The Board of Trustees of the Tate Gallery Annual Accounts 2019-20

Presented to Parliament pursuant to section 9(8) of the Museums and Galleries Act 1992

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ANNUAL REPORT

Presentation of the financial statements

The accounts have been prepared in accordance with the Charities Statement of Recommended Practice 2019 (the SORP), FRS102 (updated for reporting from 2019) and in compliance with the Accounts Direction issued by the Secretary of State for Digital, Culture, Media and Sport (DCMS).

The consolidated statement of financial activities set out on page 46 has been prepared in line with the SORP. The Trustees believe that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission in defining the strategic direction of Tate.

Mission

Tate's mission, drawn from the 1992 Museums and Galleries Act, is to increase the public's understanding and enjoyment of British art from the sixteenth century to the present day and of international modern and contemporary art.

The four aims listed by the Act are to:

- care for, preserve and add to the works of art and documents in Tate's Collection;
- secure that the works of art are exhibited to the public;
- secure that the works of art and documents are available to persons seeking to inspect them in connection with study or research; and
- generally promote the public's enjoyment and understanding of British art and of twentieth-century and contemporary art, both by means of Tate's Collection and by such other means as it considers appropriate.

All Tate's activities and aspirations are driven by this statutory purpose. Tate's strategic objectives in fulfilling this mission can be summarised as follows:

- to consolidate, manage and research the Collection in ways that respond to changes in the world around Tate;
- to devise innovative programmes that engage with existing and new audiences, both in the galleries and through digital media and partnerships, whose expectations of their relationship with the museum are changing and whose participation will be a part of what Tate does; and
- to improve Tate by investing in staff development and the working culture and develop Tate's self-reliance and business model for a sustainable future.

Major activities that Tate undertakes in doing this include:

- engaging new audiences by being inclusive and open;
- collecting and displaying art from around the world;
- embarking upon new partnerships that open new opportunities;
- ensuring that the benefit of Tate's work is felt across the UK;
- developing Tate's digital offer;
- generating revenue in addition to the amount received in Grant in Aid;
- an enhanced programme of employee engagement.

A review of Tate's key business activities during 2019-20, including its finances and key performance indicators, has been included within the foreword, together with commentary on Tate's future development plans and its policies and performance on employees, environmental and social and community issues. Tate's reserves and investments policies are also included within the foreword.

History and statutory background

History

The Tate Gallery was founded at Millbank, London in 1897. Although officially known as The National Gallery of British Art, it was commonly called the Tate Gallery after Henry Tate, with its name being changed officially in 1932. During the early and mid-twentieth century, the original building at Millbank was added to as Tate's Collection grew and expanded to include modern works.

The last two decades of the twentieth century saw considerable expansion of Tate with the Clore Gallery, housing the Turner collection, opening in 1987 and Tate Liverpool opening the following year. Tate St Ives opened in 1993 and in March 2000 the Tate Gallery Millbank site was re-dedicated as Tate Britain. Tate Modern opened to the public in May 2000 and June 2016 saw the opening of a new, ten-storey extension to Tate Modern, adding significantly to the space available to visitors and for the display of art. A new extension to the gallery at St Ives opened in October 2017.

Background

From its foundation in 1897 until 1917, the Board of Trustees of the National Gallery administered the Tate Gallery. A separate Board of Trustees for the Tate Gallery was first established by Treasury Minute of 24 March 1917, although all works of art remained vested in the Trustees of the National Gallery, whose Director remained responsible for the financial affairs of the Tate Gallery.

The Tate Gallery was established as an independent institution by the National Gallery and Tate Gallery Act, 1954. A further Treasury Minute of 5 February 1955 defined the scope of the Tate Gallery Collection and vested in its Board of Trustees the responsibility for the Collection and for the management of the Gallery.

The Museums and Galleries Act, 1992, which repealed the 1954 Act, established the Board of Trustees of the Tate Gallery as a corporate body and added it to the list of exempt charities under the 1960 Charities Act. An Order in Council enabling the new Act was issued on 1 September 1992.

In March 2000 the Trustees launched a new organisational identity, re-branding the Tate Gallery as Tate. For statutory purposes the corporate body remains the Board of Trustees of the Tate Gallery.

Tate is a non-departmental public body (NDPB) under the auspices of the Department for Digital, Culture, Media and Sport (DCMS). Tate is an exempt charity as defined by Schedule 3 to the Charities Act 2011.

Associated charities

Tate has three associated charities. These charities are independent and do not impact on Tate's operating policies, however they work closely with Tate and have the aim of helping it to fulfil its mission for the public benefit.

Tate Foundation: an independent charity created to further the charitable purposes of the Board of Trustees of the Tate Gallery through active fundraising, investment and membership schemes.

Tate Americas Foundation: an independent charity based in New York that supports the work of Tate in the United Kingdom.

Tate Canada Foundation: an independent charity based in Toronto that supports the work of Tate in the United Kingdom.

Auditors

Tate's principal auditor is the Comptroller and Auditor General. The audit fee for the year ended 31 March 2020 was £73,000 (£58,000 in 2018-19).

So far as the Accounting Officer and Trustees are aware, at the time of approving the annual report, there is no relevant audit information of which the charitable NDPB's auditors are unaware. The Accounting Officer and Trustees have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the charitable NDPB's auditors are aware of that information.

Signed

Maria Balshaw
Director, Tate

14 October 2020

Signed

Lionel Barber
Chairman, Tate

14 October 2020

FOREWORD

The accounts have been prepared in accordance with the Charities Statement of Recommended Practice 2019 (the SORP) Financial Reporting Standard (FRS) 102 (updated for reporting from 2019) under a direction issued by the Secretary of State for Digital, Culture, Media and Sport under the Museums and Galleries Act 1992.

Review of activities in 2019-20

The key achievements of 2019-20 include:

- welcoming a record 8.26m visitors across all four Tate galleries;
- the definition of a new set of objectives and values for the organisation, supported by a five year plan;
- the Year 3 project, with Artist Steve McQueen, which engaged 76,000 Year 3 pupils from across all London boroughs;
- the continued success of Tate Collective, the membership scheme providing young people aged 16 to 25 with access to art, including discounted tickets, which numbered 153,000 by the end of the year;
- several high profile exhibitions including: *Olafur Eliasson: In Real Life*, *Takis*, *Natalia Goncharova*, *Nam June Paik* and *Dora Maar*, as well as the opening of both *Steve McQueen* and *Andy Warhol* at Tate Modern; *William Blake*, *Frank Bowling*, *Aubrey Beardsley* and *Mark Leckey*, and the closing months of *The EY Exhibition: Van Gogh and Britain* at Tate Britain; *Keith Haring* and *Theaster Gates* at Tate Liverpool; and *Huguette Caland*, *Otobong Nkanga* and *Naum Gabo* at Tate St Ives;
- the successful display of the Turner Prize at Turner Contemporary in Margate;
- further international touring exhibitions, including exhibitions of work by David Hockney at M Woods in Beijing and Seoul; 2019-20 also saw the agreement and beginning of a major contract to provide training and the opening exhibition in advance of the opening of the prestigious Pudong Museum of Art in Shanghai;
- the declaration of a climate emergency and commitment to making Tate a more environmentally sustainable and carbon neutral organisation, championing the importance of climate action through art;
- continued strong digital performance, with visits to the website numbering 28.8 million, and continued strength in social media channels, particularly Twitter and Instagram, the latter seeing growth of 23%;
- the extension of partnership working, with a call for new members of the Plus Tate Network and the development of the British Art Network;
- increased diversity in displays across all Tate sites; and
- new senior appointments including Victoria Cheetham as Chief Operating Officer, Polly Staple as Director of Collections, British Art and Katherine Montague as the Director of People.

None of these achievements would have been possible without the commitment and expertise of those who work at Tate and the interest, support and continuing generosity of all those who support Tate. The report below presents highlights of Tate's work this year.

The last month of the year was defined by the management of the impact of the Coronavirus pandemic and planning for the effects in 2020-21 and beyond. The impact on specific activities and Tate's response is addressed in the sections below. In March, Tate anticipated a drop in attendance of over 70% with consequent impact on income generation and effect on the trading subsidiaries. Programme is determined several years in advance and involves complex planning with lenders, partner organisations and of course different departments across Tate. The disruption caused by the Coronavirus pandemic and the impact on tightly calibrated plans, often across the world, was therefore immense. The speed and pragmatism of teams across the gallery in responding to this was admirable.

Tate's Objectives

Following a transitional year in 2018-19, during which the Director led Tate in developing a new Vision and objectives that will guide it for the following five years, this year saw the agreement of new organisational objectives.

They are to:

- support artistic risk taking and scholarly excellence across the five centuries of British Art and the international modern and contemporary collections;
- grow audiences and membership that are more reflective of the UK and continue to attract a diverse global audience as visitors to Tate's exhibitions and digital spaces;
- enhance our role as a global innovator by promoting a more diverse art history, reflecting how art is made and seen now;
- expand the possibilities of museum spaces as sites of learning, playing a leading role in practice and advocacy regarding the importance of creative learning and access to the arts for young people;
- expand access to the collection across the four nations of the UK, taking a leading role in supporting and working in partnership with the regional museums ecology;
- make digital part of everything we do by placing audiences at the centre of experiences which span online, gallery and commerce spaces and collaborating across departments;
- maximise partnerships internationally to advance research, contribute to international dialogue about art and increase international fundraising;
- enable Tate's people to thrive and shift the workforce to more closely reflect the UK population today;
- reduce our carbon consumption significantly and lead sectoral thinking in this area;
- develop Tate's Estate and digital, technical and environmental infrastructure to preserve buildings and our growing collection for the future and expand access to it through digital and physical means; and
- develop a business model that has the flexibility to allow us to be bold and innovative with the art we show and the audiences we reach.

These objectives will be pursued following a common set of values, which were developed through conversation among colleagues from across Tate. These are to be open, bold, rigorous and kind.

Climate Action

This year, Tate made a commitment to address the climate emergency. Inspired by and working with artists, this will be a major part of Tate's work and operations in the years to come. Tate will reduce its carbon emissions by 50 per cent by 2023 from the baseline year of 2007-8. So far, a 40 per cent reduction has been achieved and a further 10 per cent is projected by 2023. The commitment is that by 2030, tangible progress will have been made towards being a net zero emitter. As well as reducing its own outputs, Tate has a role as a space in which awareness of the climate emergency can be raised and in which topics can be debated and addressed through art.

Coronavirus Pandemic

In response to the Coronavirus pandemic, the galleries were closed from Tuesday, March 17 2020 and the majority of staff started working from home the following week. The only exception to this being colleagues essential for the security and maintenance of the collection and estate. A large number of staff were subsequently furloughed using the Government's Job Retention Scheme. Those working from home adapted quickly to new conditions, and the technology team implemented infrastructural changes to support them. This was a major programme of work and required short-term investment in new hardware. The change was supported by an internal communications programme that both communicated new ways of working and supported the organisation through change. We are grateful for the dedication of all staff in ensuring continuity in the security and

essentials of operation during this period, especially those who came into work to fulfil essential duties.

A Remobilisation Group was formed comprising colleagues across Tate. This worked to develop the new conditions that would be required to ensure a safe workplace and oversaw needs such as the procurement of safety equipment and hand sanitisers. Meanwhile, audience teams worked hard to plan for the safe reopening of the galleries themselves. In close liaison with the Government and other national museums, all four Tate galleries successfully reopened on Monday, 27 July 2020. Routes had been planned around the collections and exhibitions while a system of booked and timed entry ensured the control of visitor numbers and the ability to take part in the Government's Test and Trace Scheme. Health and safety equipment such as hand sanitisers and screens were also deployed. Combined, this work required a tremendous amount of detailed planning.

During the period of closure, many colleagues across all teams adapted successfully to working remotely, serving the public in different and innovative ways. Highlights of this work, and significant aspects of operational changes are detailed in the report below. The medium and long-term effects of the virus on the global economy and society have yet to become apparent. This report therefore reviews activity in a year affected at its end by the virus' immediate impact. Much of the work done in the first part of 2020-21 focused on responding to its longer-term effects.

Financial Impact of the Pandemic and closure

Alongside the practical planning outlined above, finance and business teams undertook the complex task of rewriting the budgets and reducing operations in response to reduced anticipated footfall of only 30% of usual numbers and reductions in all income streams. The loss of six months trading in Tate Enterprises Ltd, which will be followed by a period of severely impaired income, has eliminated revenues from that area. With great regret, and only after exhausting all other options, redundancies were required to ensure continued solvency, the detail of which is discussed below.

Revised budgets were presented to Finance and Operations Committee in March and then again in May. These budgets were balanced but required the use of the Job Retention Scheme and Tate's reserves to ensure Tate's going concern status. Funding received from HM Government has been essential to Tate's sustainability during this period. We are grateful to the Department of Digital, Culture, Media and Sport in both ensuring Grant in Aid for the 2020-21 year was paid quarterly in advance in the first six months of the year, as well as making available additional funding subject to demonstration of need.

In the forthcoming period, Tate will monitor revenue streams closely. Expenditure has been reduced in all areas and will be flexed according to performance throughout the year. As detailed below, changes to the programme have also been implemented to reduce expenditure. The effect of this will also reduce income-generating opportunities, but this has been necessary to ensure Tate's sustainability.

Programme

In 2019-20, Tate Britain saw innovative programming that connected the contemporary to the historic, attracting record audience numbers as a result. Overall, 1.6m visited the gallery, the highest number in its history.

By the time the *EY Exhibition, Van Gogh and Britain* closed in the early part of the year, it had attracted over 422,000 visitors. It sat alongside a major exhibition of Don McCullin's photographs, bringing a juxtaposition of views of urban life by two very different artists from very different times. The winter saw a major presentation of the work of William Blake, followed by two exhibitions of historic art: *British Baroque* and *Aubrey Beardsley*, the latter providing the subject of a BBC programme during the lockdown period following the Coronavirus pandemic. The gallery also showcased the contemporary, with the first major British retrospective show of the art of Frank Bowling, and an exhibition by Turner Prize-winner Mark Leckey. Art Now commissions included work by Sophia Al-Maria, France-Lise McGurn and Joanna Piotrowska. This year's winter commission

by Anne Hardy complemented Tate's commitment to show artistic responses to the climate emergency through art, envisioning a post-diluvial landscape on the steps of Tate Britain.

The year at Tate Britain will be defined by Steve McQueen's *Year 3* project, one the most ambitious and extensive visual portraits ever undertaken. Over 76,000 schoolchildren were photographed across 1,500 London schools, a snapshot of Britain's creative future. It represented both artistic ambition and organisational achievement across all departments. Preparing for the daily visits of around 500 seven to eight-year-olds required extensive planning, including the construction of facilities for the children, programming by the learning team, and a newly-developed welcome by front of house and visitor teams.

Steve McQueen also featured prominently at Tate Modern, with his first major UK retrospective opening in the Blavatnik Building in February. This followed a tremendously popular exhibition, *Olafur Eliasson: In real life* which gave audiences the chance to experience the artists's famous immersive installations. It was also another example of how Tate's programming has prompted discourse on social issues and the climate emergency. An accompanying event on this theme: *Art in Real Life: Addressing the Sustainability Challenge* was staged in the Turbine Hall in July 2019 featuring key voices from across the social and political sphere.

Tate Modern has established itself as the global leader in rethinking the history of modern and contemporary art. This year saw new appointments to the curatorial team with specialisms in African, Middle Eastern and South Asian art. It also saw the establishment of the Hyundai Tate Research Centre: Transnational. The programme continued to address the imbalances in the representation of gender and presented the first UK retrospectives of four influential women artists: the Russian avant-gardist, Natalia Goncharova; Dora Maar, reappraised as a force in modernism; the surrealist, Dorothea Tanning; and a free display of the work of Dora Maurer. In the Turbine Hall, Kara Walker's Hyundai Commission 13-metre-high fountain, *Fons Americanus*, provided both an origin story of the African diaspora and a contemporary response to the nature and subject of historic public monuments.

The Gallery also presented exhibitions of the visionary Korean artist Nam June Paik and the Greek sculptor Takis, the latter a poignant but fitting moment in light of the artist's sad passing during the run of the exhibition. In March, *Andy Warhol* opened just before what transpired to be the closure of the Gallery during the Coronavirus pandemic. In just a week of being open, the show attracted plaudits for the new interpretation of one of the most familiar artists of the 20th Century. During the lockdown period, online tours and specially created television programmes introduced the themes of the show to the public.

Tate Modern continued to pioneer the display of live performance art, particularly in the Tanks, a programme strengthened further this year through the new Performance Activation Fund. The annual *BMW Tate Live Exhibition* continued, and Pan Daijing's new play *Tissues*, combining opera, dance, cinema and poetry, was one of the year's highlights. Boris Charmatz's London premiere of *10000 Gestures* was co-presented with Sadler's Wells. In March, a performance by Faustin Linyekula in the Tanks was streamed online, providing content for audiences immediately after the closure of the galleries.

The film season at Tate Modern featured a number of UK premieres. Carlos Casas's *Cemetery* explored the issues of the environment and colonialism, while Jill Magid's *The Proposal* examined heritage and repatriation. We were also pleased to show *The Spiral* by Congolese musician and artist, Nkisi, a film made specifically for the Starr Cinema at Tate Modern.

This year, Tate Liverpool announced an open call from artists from the North West of England to create an exhibition for the gallery in 2021. The inaugural winner was Emily Speed and the team at Liverpool is looking forward to working with her in preparing the show for next year. 2019-20 also saw the first fruit of programming based on the new vision for the gallery, inspired by Liverpool's early trading relationships with the rest of the world and its history as one of the UK's most multi-cultural cities. *Amalgam* was Chicagoan artist Theaster Gates's first solo museum show in the UK: it focused on the history of an ethnically-mixed community evicted from the island of Malaga off the

north east US state of Maine in 1912. *Keith Haring* was the first major UK retrospective of the prominent 1980s artist, exploring his activism in respect of AIDS, nuclear disarmament and anti-apartheid. An immersive installation by the Venezuelan, Sol Calero, who explored issues around cultural stereotypes and tourism also proved a very popular exhibit.

In St Ives, Otobong Nkanga's *From Where I Stand* was the prominent Nigerian artist's first UK museum survey. It also had a very local bent, examining the consequences of the industrial extraction of natural resources from the land, a subject with echoes of Cornwall's mining past. Early summer saw a survey of the work of the Lebanese artist Huguette Caland and the year concluded with a major exhibition of the work of Naum Gabo, one of the great pioneers of constructivism, marking the centenary of his *Realistic Manifesto*, the seminal proclamation of the modernist era.

Collection

Tate cares for the national Collection of British art from 1500 and the international modern and contemporary art. It does so on behalf of the public, presenting and developing the Collection and sharing it as widely as possible in its galleries, online and through loans and partnerships. This year saw the departure of Ann Gallagher after many years as Director of Collections, British Art, during which time she has done much to strengthen the collection in areas in which it is authoritative and develop new aspects that have influenced the nation's art history, and will continue to do so in the future. Later in the year we were pleased to announce Polly Staple as her successor.

Overall, 564 works were acquired in 2019-20. In recent years Tate has been committed to showing the diversity of its collection and enhancing the representation of hitherto under-represented work and work by artists who deal with groups marginalised in art historical discourse and museums. Tate is working to increase holdings of work by women, LGBTQ+ artists, minority artists and artists of colour across the British and international collections. Transnational histories are being explored as both the national and international collections are developed. The representation of First Nation and Indigenous artists has been a particular development, and this has been strengthened through a joint acquisition programme with the Museum of Contemporary Art Australia and Qantas. This year, the Fund enabled the acquisition of works by Aboriginal artist Dale Harding, the abstract painter Robert Hunter and installation artist Justene Williams.

International additions also included a group of three quilted canvases by the Filipino artist Pacita Abad, a section of Kemang Wa Lehulere's multi-part sculpture, *I cut my skin to liberate the splinter*, commenting on his experiences growing up in apartheid South Africa, and a large, two-part sculpture by the Slovakian artist Stano Filko. Major gifts included *Vessel* 1961 by Helen Frankenthaler, the first piece in the collection by this major figure of abstract American art, and a painting by Dorothea Tanning.

Recent acquisitions have informed displays across all Tate sites. A prime example is that of a series of canvases made by the Swiss-Argentine artist Vivian Suter, who works by exposing her paintings to the elements in her Guatemalan home. These works were first shown this year at Tate Liverpool, where it proved tremendously popular with visitors.

The British collection has been developed in similar ways. Maud Sulter's *Les Bijoux IV* from 2002 and Shirley Baker's *Manchester* from 1965 are examples of how Tate is enhancing the representation of British women photographers. Tate also has a strong history of ensuring that important commissions are reflected in acquisitions and thus that major moments are represented in the national collection. This year's acquisitions, for instance included Mike Nelson's *The Asset Strippers (Elephant)*, part of his installation in the Duveen Galleries at Tate Britain, which commented on the post-industrial history of the UK. The annual Frieze Fund, sponsored by Endeavour supported the acquisition of Jagode Buic, Marc Camille Chaimowicz, Patrick Staff and Paulo Nazareth.

In 2020, Tate Archive celebrated its 50th anniversary. It is the largest archive of British art in the world. It was therefore fitting that this year the Archive received its largest ever grant via the generosity of the Marie-Louise von Motesiczky Charitable Trust. This will support regularly changing displays of material in the Archive Gallery at Tate Britain. 2019-20 has seen a number of important

additions, among them Derek Jarman's notebooks, sketchbooks and letters on long term loan as part of Art Fund's successful campaign to save Jarman's Prospect Cottage and its contents for the nation. The National Trust also gifted over 5,000 sketches and drawings by the British surrealist Ithell Colquhoun which reunited these with the bequest of the papers left to Tate in 1989.

Sharing the Collection

The Collection is also the basis of much of the work Tate does in partnership, both nationally and internationally. Many new acquisitions – many by women artists – were loaned to UK venues. Works by Claudette Johnson and Johanna Unzueta travelled to Modern Art Oxford, while others by Grace Pailthorpe went to the Camden Arts Centre. Other loans included work by Christina Quarles to The Hepworth, Wakefield and Helen Saunders to Pallant House Gallery in Chichester.

The loans of key works from the Collection can also be powerful moments. This year Jacob Epstein's colossal *Jacob and the Angel*, which weighs 2.46 tonnes, travelled to the New Art Gallery Walsall for its year of sculpture programme. Elsewhere, *Aspire*, the tour of Constable's *Salisbury Cathedral from the Meadows* concluded, and that of William Stott of Oldham's *Ferryman* continued. Overall, 775 collection works were loaned to 160 venues across the UK.

Now in its tenth year, ARTIST ROOMS continued to build on its success. This year, it was announced that the new season of ARTIST ROOMS would see work travel to venues and galleries including Cardiff, Leamington Spa, Newcastle and on the Isle of Wight. Overall, ARTIST ROOMS have been seen by over 53 million people at 87 different venues across the UK. In September 2020, Tate and Anthony d'Offay agreed to end their relationship. This involves the return of works on loan to Tate from Anthony d'Offay and Anthony d'Offay Limited and the removal of public signage at Tate.

A significant part of Tate's international work is the exhibition of shows created from the collection for this purpose. This year, there were fourteen exhibitions of collection works. Exhibitions of Tate works by David Hockney showed at M Woods in Beijing and then at the Seoul Museum of Art: together, these attracted over half a million people. Other touring collection exhibitions this year were shown in Connecticut, Lucerne, Hamburg, Hong Kong, Milan, Munster, Nashville, Paris and Rome. More generally, 1105 loans were made to 169 venues internationally.

Caring for the Collection

A significant part of Tate's activity is behind the scenes, fulfilling the statutory obligation to care for the many different kinds of work in the national collection and preparing work for display or loan. Each exhibition, loan or displays represents many hours of expertise, varying from conservation, to art handling and registrarial work. For instance, *British Baroque* at Tate Britain saw the restoration of a major new acquisition, *The Whig Junto*, a process that included the restoration of the complex frame of this large canvas. Elsewhere, the display of Nan Goldin's *The Ballad of Sexual Dependency* at Tate Modern was similarly complex, requiring detailed work by Tate's experts in time-based media. Each installation too requires skill, time and expertise: the installation of a twelve-metre-long work on paper in *Keith Haring* alone required a team of six. In the latter part of the year and as the extent of the lockdown period became clear, the Collection Care team responded to the significant task of orchestrating the complex system of international loans that underlies the many shows at Tate.

Tate is a world leader in collection care research and practice. *Reshaping the Collectible: When Artworks Live in the Museum* is a major project developing models for the conservation and management of recent contemporary works of art that exist beyond conventional media and involve actions, performance or unique moments. Tate has pioneered research in this area, and this makes it possible to exhibit such work more regularly and comprehensively across Tate's galleries. An example was Tony Conrad's *Ten Years Alive on the Infinite Plain*, which was first performed in New York in 1972 and this year was restaged at Tate Liverpool. The research and collection care teams are currently working on many similar projects that will benefit the sector more widely. One such is a collaboration with the UCL Institute for Sustainable Heritage to explore a new approach to polymer degradation. We are also working with City & Guilds London Art School to set up a BA (hons) Conservation: Books and Paper programme. This is an important venture because few opportunities to study book and paper conservation exist in the UK or elsewhere.

Partnerships

Working in partnership, as the examples of UCL and City and Guilds show, is common across many areas at Tate and has been a defining part of the organisation's work, both nationally and internationally. The Turner Prize is a regular instance of this. Every other year, it is shown outside London. This year, it was presented at Turner Contemporary in Margate where it attracted 141,000 visitors, one of the largest audiences in its history. As ever, the Prize this year presented a comment on societal expectations: reflecting the shared commitment of all the nominated artists to common action, the jury decided to honour their request to award the prize to all four as a collective. In December, it was presented by Edward Enninful, Editor of *Vogue*.

Turner Contemporary is also one of the partners in the Plus Tate network. This is the group of museums and galleries nationwide that work in partnership to strengthen the nationwide ecology of contemporary visual art. This year, the group took the decision to extend its number to over forty participating institutions from all four of the nations in the UK. The network also convened a symposium to look at diversity in the visual arts with the aim of driving step change in the sector. The strength and importance of this network was demonstrated during the Coronavirus pandemic, when all participating institutions had access to peer support, informal advice and a touchpoint in coming to terms with an unprecedented situation.

In the area of historic British art, the British Art Network, convened by Tate Britain comprises 602 members representing 256 Higher Education, arts and heritage organisations. This year, a new partnership with the Paul Mellon Centre for Studies in British Art created the platform for the growth and expansion of the network. Bursaries and funding will support subject specialist groups and enable a further five Early Career Curators Groups, bringing the number to fifteen. The network also convened two major conferences, one on Curatorial Ecosystems and another on Contemporary Public Art in the Urban Landscape. Like the Plus Tate group, the value of the British Art Network as an ecology came into its own in the Coronavirus epidemic, with a significant increase in digital activity enabling its members to maintain contact across institutions and between individuals.

Audiences

One of the organisational objectives set this year is to 'grow audiences and membership that are more reflective of the UK and continue to attract a diverse global audience as visitors to Tate's exhibitions and digital spaces'. This year has seen considerable activity on this front, with a focus on more diverse audiences, young people, families and local communities.

Overall, 8.26 million visited Tate's galleries. Specific programmes were addressed and marketed to attract new audiences within this visitorship. Most notably, the Year 3 project saw young people and their families visit Tate Britain, often for the first time – a contributing factor to the record visits overall at Tate Britain. It is Tate's commitment that these will not be one-off visits, but the start of a relationship with art that will grow with the children themselves.

At the close of the year, Membership had also reached record numbers of 155,000, this notwithstanding an understandable slowing of subscription rates with the onset of the Coronavirus pandemic. It is the largest membership group of any museum or gallery in the world. In its second year, Tate Collective, the scheme designed specifically for 16-25 year olds, has exceeded all expectations to attain 153,000 sign ups since it was launched in 2018. The scheme was initiated to encourage not just younger audiences, but also the breadth of constituency that they represent, encouraging and fostering access to art. Members of Tate Collective can access offers tickets to Tate exhibitions for £5. Its success is therefore a tremendous encouragement not just for Tate, but also for the future of arts audiences in the UK.

Tate Lates are a further strand of programming for younger audiences. Programmed with and for these groups, these have become very popular: they have also been a platform on which new and emerging talent can be showcased and through which themes and concerns for younger audiences can be addressed. Uniqlo Tate Lates at Tate Modern have been attended by more 350,000 people

since they launched in 2016. The first Tate Late, 'Late at Tate Britain' has continued to thrive, and similar events for this age group take place at Tate Liverpool and in St Ives.

In the digital realm, Tate's website was visited by 28.8 million, up 7.3 per cent on last year. Much work has also been undertaken to ensure greater accessibility across the site, particularly the Collection pages. As with the galleries, content has been developed with specific audiences in mind. For instance, new features such as Tate Paint on the Tate Kids website have been popular. In the latter part of the year, Tate's digital content played a still more significant role. Colleagues across departments focused on producing digital content, bringing exhibitions and programmes to the public during the Coronavirus pandemic. Visits to Tate Paint rose an astonishing amount from 205,000 page views in April 2019 to 2.3 million page views at a similar point in 2020.

Partnerships in the digital world complement those elsewhere in the galleries. This year, these have included a film with Corali, a leader in dance created by artists with a learning disability. In St Ives, a collaborative project between Tate and i-DAT, University of Plymouth, resulted in an interactive projection of Naum Gabo's *Bronze Spheric Theme*, drawing inspiration from the exhibition in the new gallery spaces.

Social media has matured as a key means by which Tate speaks to its audiences. It enables specificity and immediacy with a global reach. On social media (Instagram, Facebook and Twitter) there were over 550 million impressions - a 20 per cent increase on last year. Many of these constituted deep and sustained engagement with content: over 15.3 million responded to posts. Tate's Instagram channel grew by 23 per cent over the year: it now numbers 3.5 million followers across 180 countries, with a particularly high audience in the US. There has also been innovation: this year, Tate released eight augmented reality filters, becoming the first UK institution to offer this experience. The filters bring Tate works to life, creating an interactive in-gallery experience in which visitors can animate the art through their phones. This project won an award for the best use of augmented reality (AR) at the Social Media Marketing Awards.

Tate has also used its social channels to address specific issues and concerns. Each year during Black History Month, Black, Asian or Minority Ethnic (BAME) artists are highlighted. This year saw more than half a million engagements, the highest yet. Women's History Month was similarly marked by telling stories of women artists in history, with a focus on artists from under-represented groups. These were commented on or shared over 1.6 million times.

Learning and Research

Tate has a reputation as a global leader in the learning opportunities it offers through art and research. With changes in the curriculum and pressures on arts education in schools, this work has become ever-more important. This concern is the focus of one of the objectives agreed this year, to 'expand the possibilities of museum spaces as sites of learning, playing a leading role in practice and advocacy regarding the importance of creative learning and access to the arts for young people'. As well as formal learning activities for children, the learning teams provide both public programming for adults and the innovative Tate Exchange programme, now in its fourth year. In all, the team delivered over 2,000 events this year.

The most ambitious of these was the team's facilitation, management and programming around Steve McQueen's Year 3 project at Tate Britain. As well as facilitating the visit of the 76,000 schoolchildren involved, the team was diligent in ensuring the necessary safeguarding and planning in advance. However, Steve McQueen, Tate and the schools are determined that the project is more than a one-off event: it must have a legacy, inspiring children, schools and families to continue their engagement with the arts and creativity. To ensure this, the learning team have provided supportive programming and materials with which schools could work as they took part in the project, and are also planning programming for the future that will allow them to continue.

At Tate Modern, the fourth year of Tate Exchange took power as its theme. The lead artists were the all-women collective Hyphen Labs. Workshops and events, led variously by Tate and the Tate Exchange Associates looked at many different aspects of power over the course of the year. In

tandem with Tate's commitment to addressing the climate emergency, one theme that emerged strongly was the power of collective action to address a problem that is both global in scale and will affect those with least power in particular. One event, *All Rise for the Planet*, imagined a fictional people's court set in 2030 in which the public adjudicated on legal responsibility and accountability for the climate emergency. Tate Liverpool runs its own Tate Exchange programme, which this year drew on themes from *Keith Haring* using participatory dance to work with people recovering from addiction.

The learning team also work with a group of Tate Collective members, Tate Collective Producers to programme activity for the wider group as a whole. Responding to *Olafur Eliasson: In Real Life*, the group presented a series of events on environmental racism and the practical ways in which young people can address climate change in their everyday lives. Elsewhere activities and a bespoke website were developed for Tate Collective to provide advice and support for members seeking to develop careers in the arts.

Each year, the Public Programmes team delivers talks and workshops across all four galleries. One strand in 2019-20 was the *Terra Foundation for American Art Series: New Perspectives* which explored an expanded view of American art and artists. This both drew on the themes of identity and power as explored in Tate Exchange and was inspired by the programme at Tate Modern and the work of Nam June Paik, Kara Walker and Andy Warhol.

In October, a new Research Strategy was launched in an event at Tate Exchange in Tate Modern. The strategy will create a vibrant research culture across Tate that generates high quality research about art, ideas and practices of institutional, national and international significance, shared with a wide and diverse public. It draws together practice across Tate, coordinating work undertaken by staff as research, and also initiating practice-based enquiry with bespoke projects. The strategy builds on the fact that research is an ongoing part of Tate's work, a good example being the Hyundai Transnational Research Centre which will both inform the development of Tate's programme and collection, as well as further knowledge about art practice in ways, understanding, researching and curating that encourages the idea that art, artists and art histories are connected beyond their countries of origin.

This year, the Gallery hosted 27 collaborative doctoral partnership students working with different academic institutions. We were also delighted to be able to announce our participation in the UKRI's *Strategic Priorities Fund – Towards a National Collection: Opening UK Heritage to the World*, a major new programme seeking to transform the way our cultural heritage institutions can work together, enabling new ways of searching, accessing and displaying cultural treasures.

People and Culture

This year has seen the establishment of the vision, objective and values outlined at the beginning of this report, supported by a five year plan. These are now set as the guiding principles of Tate's activities. Much has been done this year to look at new ways of working across Tate, best placing it to meet the challenges of modern-day art museums. This has included the implementation of a programme to examine reward and recognition across Tate. It has also included everyday changes to staff communications, and a more direct communication between the Director and other senior figures and staff as a whole.

A further development has been the reflection of the staff voice in different aspects of Tate's work. The staff council and staff diversity networks offer a chance for individuals to influence work across Tate as it develops. In particular, staff involvement has led to the greater representation of different experiences in the way that art is presented and interpreted, bringing the staff experience into close alignment with the experience that visitors have of the galleries and collection. In this way, the first steps in pursuit of the objective of being a more inclusive institution are beginning with the staff.

Staff have also led a number of other initiatives that have contributed to wellbeing and a sense of community within Tate's workforce. One was the public presentation of a Tate Staff Biennale in the Tate Exchange spaces at Tate Modern. This was curated by the Inside Job Collective, a group of

staff dedicated to championing the work of colleagues who are practicing artists – 133 staff took part, underscoring that many staff at Tate are themselves artists.

It is appropriate to note here the tremendous work undertaken by colleagues at two particular points over the course of this year. The first was in the tragic circumstances of the incident at Tate Modern in which a young boy was the victim of an attack that was both shocking and sudden. The response of teams on the day, and in supporting colleagues affected by the incident in the following months, was exemplary. The second was the response to the extraordinary circumstances of the Coronavirus pandemic. Staff as a whole responded quickly and efficiently to different ways of working, in particular implementing and adapting to new technologies and virtual working. Within the HR team, a vast amount of work was done to plan for the furloughing of staff as well as supporting staff through the transition to working at home.

Volunteers at Tate

Volunteers have been a vital part of Tate in different forms for over 20 years. Tate's valuable volunteer network includes volunteers supporting visitor experience, Tate Exchange, Archives and other teams at Tate as needs arise. Volunteering supports Tate's 5 year's plan 2020–2025, in particular in offering visitors multiple points of engagement with our collection and ideas about Art.

Of Tate's 350 volunteers, the majority act either as Volunteer Guides or Visitor Hosts. The guide team provide tours, talks and presentations on Tate's collections, either focusing on aspects of the collection itself, current exhibitions, or thematic presentations. In the last year they delivered over 200 tours a month contributing over 2,500 hours in the last year. Volunteer Hosts work either as welcome and engagement roles, helping visitors to navigate the galleries and find specific works, or as Family Hosts focusing on distributing family activities and engaging with younger visitors. Volunteer hosts contributed over 11,284 hours in the last year. Both these key roles enable Tate to deliver outside the core activities of the galleries' teams, providing additional support for visitors, but also offering programmes of engagement, enrichment and learning for the volunteer teams themselves.

The programme has focused recently on diversifying audiences, working with local charities to engage people who would not previously have viewed Tate as a place for them. Many of Tate's more recent volunteers live locally and first visited us on a taster session for volunteering at Tate, and now act ambassadors within the community. In addition, summer holiday programmes have been run for young volunteers, giving them the opportunity to learn skills, and have access to Tate staff who were able to offer careers insight and support.

In recent months the volunteer programme has moved online providing talks and catch-ups via digital channels to many who would otherwise have been isolated during lockdown. Since re-opening 25% of regular volunteers have returned to site in new 'reassurance' roles, meeting and greeting visitors, ensuring they are aware of Tate's new Coronavirus compliant experiences and adding numerous visitor contacts that we could not otherwise achieve.

Redundancies in Tate Enterprises Ltd

In line with the overall impact on the hospitality and retail industries, Tate Enterprises Ltd has been hit particularly badly affected by the Coronavirus pandemic. The closure of the galleries during this time meant that Tate's restaurants and shops lost half a year of trading. While some of the retail and food outlets reopened alongside the galleries, social distancing measures meant that footfall would be limited to 30% of usual levels and, particularly in the restaurants, many of Tate's usual offers are simply not possible. The Government's Job Retention Scheme was used as much as possible to mitigate the impact on staff. However, it was with tremendous regret that the sustainability of Tate's trading company required a reduction in staff costs and redundancies were therefore announced in August 2020.

Estates and Infrastructure

Tate's commitment to climate action requires it to examine and reduce the impact of its operations. The four galleries attract millions of visitors from the UK and overseas, and servicing this requires

energy. Likewise, the programmes depend on the movement of works of art across the world. However, this energy can be sourced and used in more efficient ways, and the impact of operations lessened. In 2019-20 an audit of the environmental impact of our operations was undertaken, providing a new and more detailed baseline from which to move towards our goals.

It has been possible to take some steps immediately. Across the gallery, a “train first” policy has been adopted for national and international travel: flights will only be used where absolutely essential. All four galleries were switched to a renewable energy tariff, ensuring that power consumed is matched with electricity sourced from 100 per cent renewable sources. Updates to heating and cooling machinery and the installation of lighting controls and water-monitoring equipment have also lowered energy consumption. The process of changing to lower energy LED lighting in all the galleries is now almost complete.

One of the most environmentally-intensive aspects of operating an art gallery is the need to care for the collection, monitoring and maintaining the conditions in which art is displayed and kept. This year, Tate’s Environmental Monitoring System was extended to all sites. This provides the implementation of remote access and live data feeds represented major and vital operational achievements in themselves. They also provide a basis from which to analyse environmental impact in the future.

Efficient waste disposal is a core element of Tate’s sustainability. Where possible, waste is diverted from landfill to create energy and around 75 per cent of our waste is recycled. Visitors to the gallery this year will have seen water fountains, newly installed to cut down on single-use plastics. Across the estate, action planning is taking place to preserve and enhance biodiversity: wherever possible, varied habitats are provided and 2019 has seen a review of the types of plants in Tate’s gardens, and the addition of those that will encourage and support bees.

Tate Enterprises Limited

Tate Enterprise is a separate limited company, established solely in support of Tate. It comprises three divisions – Tate Eats, Tate Corporate Events and Tate Commerce – and all profits are returned to the Gallery.

Tate Eats

This year Tate Events, the corporate events team, prepared for a move into the commercial entity of Tate Eats at the beginning of the 2020-21 financial year. Tate Eats provides the catering and management of corporate events, so the move will provide greater clarity for both Tate and its clients. The new team will be called Tate Entertaining and be a single end-to-end commercial events business, responsible for the Corporate Membership scheme and all aspects of commercial events.

Together, the cafes and restaurants at all four Tate galleries and the franchise run by Tate Eats at the Fitzwilliam Museum in Cambridge, returned a net profit of £1,029,000 in 2019-20 (£1,587,000 in 2018-19). In line with Tate’s wider commitment to climate action, single-use plastics and plastic drinking straws are no longer used. Waste is also recycled into energy. Menus are reviewed seasonally and this year the number of vegetarian dishes increased in all outlets, a response not just to the recognised impact of meat production on the environment, but also the changing tastes of clients. Vegetarian food now accounts for 40 per cent of sales in the restaurants and cafes: beef consumption has been reduced by 2.3 tonnes and all our beef comes from British, grass-fed herds.

There have also been tie-ins with Tate’s programme. Teams for Tate Eats worked with Studio Olafur Eliasson to create a special menu for Tate Modern’s Terrace Bar throughout the run of Eliasson’s exhibition, based on organic, vegetarian and locally sourced food. This saw not only a changed menu, but a different look for the Bar, with communal tables and a new range of ceramics and other tableware. Menus have also been inspired by temporary exhibitions, for instance the van Gogh exhibition at Tate Britain. The restaurants have also been the sites for specific installations: at Tate Modern’s Level 9 restaurant, for instance, three woven artworks by Ptolemy Mann went on display in the restaurant bar.

For many years Tate has sourced and roasted its own coffee. It is bought equally from female and male producers: the principle is gender equality, championing women coffee producers and family farmers who share household income, resources and decision-making. Tate Coffee also supports the work of the World Coffee Research (WCR) and the Partnership for Gender Equity (PGE). Our tea supplier is a founding member of the Ethical Tea Partnership and our milk and cream come from British free-range herds, and suppliers that pay farmers an economically sustainable price.

Tate Commerce

Online and in the shops in the galleries, Tate Commerce returned a net profit of £765,000 in 2019-20 (£1,347,000 in 2018-19). Sales of merchandise amounted to £20,224,000 (£19,752,000 in 2018-19).

A number of product offers were developed to tie in with specific exhibitions. One highlight was a range of lipsticks to complement the Dora Maar exhibition at Tate Modern, developed in collaboration with Code8 celebrating the spirit of 1930s fashion. Another was a range of clothing and other material inspired by the Aubrey Beardsley exhibition at Tate Britain.

This year, a range in Tate Edit – the design and living-focused outlet at Tate Modern – was developed to showcase emerging talent, particularly of makers local to the gallery. This included a successful open call to young talent, which will be repeated in coming years.

Like other areas of the gallery, Tate Commerce has examined how it can become more environmentally sustainable and help address the climate emergency. Supply chains and operations have been amended accordingly. Starting with the Olafur Eliasson exhibition at Tate Modern, the shops have adopted a circular economy approach to clothing in our shops, a model that proved popular with customers. Discounts were offered on exhibition t-shirts in exchange for old t-shirts that could be recycled. All T-shirts sold in our shops are now manufactured using sustainable cotton. In other initiatives, all retail carrier bags are now made of paper rather than biothene, reducing usage of single-use plastics are prioritised across all of the Tate Commerce outlets and packaging for shop deliveries is now either recycled or recyclable.

Tate Corporate Events

Events activity in 2019-20 was weaker against a background of political and economic uncertainty, and a trend for smaller events. Events income was down by 30% compared to the year prior but was boosted by six large-scale events in The Tanks and Turbine Hall at Tate Modern. Responses to incoming enquiries were as flexible as possible and this was demonstrated by a change to policy allowing for the sale of fundraising events to charities. Overall, Tate Corporate Events returned a net profit of £3,307,000 in 2019-20 (£3,138,000 in 2018-19).

New business levels for Corporate Memberships were strong again this year with the addition of 17 new Corporate Members. The number of Corporate Members reached 34, its highest level ever. Focus remains on retaining those members for future years alongside recruiting new members.

During the year, the division signed a contract to deliver consultancy and training services to an international partner to support the opening of the Pudong Museum of Art in Shanghai.

Following the transfer of the Events and Corporate Membership to Tate Eats in April, the Tate Corporate Events division will be renamed Tate Business, encompassing the Tate Etc magazine, chargeable education, and training and consultancy.

Fundraising

Tate follows the regulation scheme established by the Fundraising Regulator and complies with the Code of Fundraising Practice.

Tate's most significant single source of income is Grant in Aid. This is followed by membership. We are grateful to both the public purse and our members for this contribution. Tate also raises funds through donorship and sponsorship. One milestone this year was the appointment of Catherine

Carver Dunne as the new Director of the Tate Americas Foundation. Although a separate entity which reports its own accounts, the appointment is noted here reflecting the purpose of Tate Americas Foundation, which is to support Tate.

Tate remains grateful to its major funders and supporters. These include EY, whose partnership this year supported the Warhol exhibition at Tate Modern. The announcement of the Hyundai Transnational Research Centre and Kara Walker's fulfilment of the Hyundai Turbine Hall Commission were likewise made possible by the continued and generous support of Hyundai. We are grateful to the many individual sponsors of our exhibitions and activities, which together enable the varied programme described in this report. This support is fully described elsewhere.

Tate's six Acquisitions Committees continue to give vital support both to Tate's global thinking, providing invaluable support for major acquisitions of important works of art. In 2019-20, the Committees collectively comprised 189 active supporters, hailing from 48 countries, and together enabled 121 works from around the world to enter Tate's holdings.

Tate benefits greatly from HM Government's Acceptance in Lieu scheme, administered by Arts Council England. This brought into the collection a number of important art works and archives this year, including Peter Lanyon's *Clevedon Bandstand* 1964, from the Estate of Sheila Lanyon, Giacomo Amiconi's *Frederick, Prince of Wales* 1735 and *William, Duke of Cumberland* 1735, John Closterman's *Portrait of a Gentleman* c.1700, the Bruce Lacey Archive and a collection of 30 black and white photographs by Bill Brandt (1904-83) dating from the 1930s. We were also grateful to have received several monetary legacy gifts, helping to secure and strengthen Tate's long-term future, including generous gifts from The Estate of Mr Kenneth McGowan, The Estate of Mr Michael Stoddart, The Estate of Mrs AF Frohlich and The Estate of Denise Antenen.

Tate also continues to benefit from generous gifts of works of art from artists and artist's estates. This year, we are especially grateful to: the Estate of Pacita Abad; George Condo; Natalie Dower; Juan Manuel Echavarria and Fundación Puntos de Encuentro; Nan Goldin; Tamara Henderson; Andy Holden; the Estate of Clyde Hopkins; Kim Ku-lim; Duane Linklater; Steve McQueen; Mike Nelson; Martin Parr; Stephen Prina; Taryn Simon; Erika Verzutti; Kemang Wa Lehulere; Rachel Whiteread; the family of Vladimir Yankilevsky with support from Alexander Girda; and Marie Yates, among others.

Sustainability

Operations and sustainability

Environmental sustainability is a prime consideration across Tate's work, from the way food is sourced for cafés and restaurants, to the way buildings are managed and exhibitions created. Since 2007, Tate has been working to reduce the environmental impact of its estate and operations, lead and influence the cultural sector and inspire and engage visitors on sustainability, and in June 2019 Tate declared a Climate Emergency.

As part of this declaration, Tate has recently committed to a five-year plan for climate action, which includes a target to reduce Tate carbon footprint by 10% in this time, as well as to act as a sector leader in carbon reduction.

In 2019, Tate switched to a renewable electricity supply tariff in order to lower our direct carbon usage. This tariff provides Tate with 'REGO' certificates that show that all of the electricity Tate purchases is 'matched' by equivalent generation from renewable sources.

Tate has committed to including sustainability or 'green' criteria in each of its tender exercises. The aim of this is to ensure each contract and supplier contributes to Tate's stated aim of a 10% reduction in carbon footprint. Such contributions could include direct financial support to a specific carbon reduction project, or concrete proposals on how to improve the sustainability performance of that contract.

Greenhouse gas emissions

Tate has been measuring and reporting emissions since 2007 and set 2007-08 as a baseline year for reductions, mainly for Scope 1 and 2 emissions.

Overall Tate's carbon emissions for Scopes 1 and 2 have reduced by 33% since the baseline year as a result of a number of energy-saving initiatives being implemented in recent years. Initiatives in the current year have included the installation of more efficient Motor Control Centre panels and the ongoing program of upgrading LED lighting across the Tate sites.

Energy expenditure increased in 2019-20 as a result of the impact of the hot summer and the conditioning needs of the galleries and the introduction of the Climate Change Levy as a replacement for the Carbon Reduction Commitment. Tate's overall exposure to financial risk is reduced by purchasing energy up to 30 months in advance of consumption through the Crown Commercial Service framework agreement. The Carbon Reduction Commitment was a legislative scheme which requires payment for carbon emissions associated with energy use. This scheme closed in 2018-19 and was replaced by the Climate Change Levy which is paid directly by Tate within energy bills.

Business travel emissions data is based on a combination of actual business travel mileage from centralised travel providers and estimated mileage using the Carbon Trust methodology. Scope 3 emissions from business travel are 66% lower than the baseline year (2013-14). In 2019-20, Tate have adopted a "train first" policy in the UK and destinations in northern Europe that are accessible by high-speed train, and have encouraged colleagues to take the train where possible further afield in Europe too.

Scope 3 emissions from water use have been steadily reduced. Electricity transmission and distribution emissions have fallen by 45% since the base year, reflecting the savings made through the energy reduction programme.

Greenhouse gas emissions (tCO₂e)

		2016-17	2017-18	2018-19	2019-20	% change on base yr
Greenhouse gas emissions (tCO ₂ e) ¹	Scope 1 & 2 emissions					
	Scope 1 ²	3,420	3,421	3,335	3,418	(12)
	Scope 2	10,941	9,206	7,746	7,136	(48)
	Total Scope 1 & 2	14,361	12,627	11,081	11,797	(33)
	Total Scope 1 & 2 tCO ₂ e per m ²	0.122	0.107	0.094	0.100	(51)
	Scope 3 emissions					
	Business travel ³	907	740	549	329	(66)
	Water use ⁴	200	191	101	80	(31)
	Electricity transmission & distribution	990	861	660	606	(45)
	Total Scope 3	2,097	1,792	1,310	1,015	(54)
	Total Scope 1-3	16,458	14,419	12,391	11,569	(45)
Energy use (million kWh)	Electricity, non-renewable	22.2	21.9	24.1	0	(100)
	Electricity, renewable ⁵	4.4	4.3	3.3	27.9	100
	Total electricity	26.6	26.2	27.4	27.9	0
	Gas	18.6	18.6	18.1	18.6	11
	Total kWh per visitor	5.3	5.6	6.4	5.6	(3)
Expenditure	Energy	3,032	3,070	3,433	3,682	62

¹ All emissions calculated and updated using relevant Defra conversion factors
<http://www.ukconversionfactorscarbonsmart.co.uk/>

² Includes emissions from natural gas consumption and refrigerants

³ All business travel including international air and rail travel

⁴ Mains water only and boreholes abstraction, in line with government guidance. All figures updated with water treatment and supply conversion factors, in line with Defra guidance

⁵ Electricity procurement through Crown Commercial Services, all other Tariffs Fuel Mix info <https://ccs.edfenergy.com/fuel-mix>

(£000)	Carbon Reduction Commitment	242	257	172	0	(100)
	Business travel	741	680	682	762	4

Waste and finite resources

Tate's approach to waste management is guided by the waste hierarchy of "refuse, reduce, re-use, recycle, recovery, disposal" as mostly set out in Article 4 of the revised EU Waste Framework Directive, with 'refuse' being added to suit the aims and goals of Tate. Tate has committed to attaining zero waste to landfill and between 70-75% of the waste produced each month is recycled. In addition to recycling, Tate also aims to reduce the amount of waste produced and to re-use or upcycle products. Overall production of waste has decreased by 18% from the baseline year, despite an expansion of the estate, due to a significant increase in waste being recycled or re-used, composted (via anaerobic digestion) and also sent to energy from waste.

We've also adapted our shops and cafes so that we eliminate some of the waste previously being produced, such as single use plastic cups and packaging. Tate have also signed up to distribute unsold food at the end of the day, including an app (TooGoodToGo) that allows visitors to buy any unsold food at a reduced cost in the last half hour of opening.

Waste costs have increased by 48% since the baseline year, mainly due to the addition of different waste streams, together with the opening of the new buildings and the overall increase in waste costs and tax levies. Water use under Scope 2 (Finite Resource Consumption) reduced significantly in the year as a result of the reduction in water abstraction from the closure of the borehole cooling system at Tate Modern. A water harvesting facility is now operational in the Blavatnik Building at Tate Modern that allows the collection, storage and distribution of recycled rainwater for flushing the toilets. Moving forward, Automated Meter Reading technology for water has now been installed across the London sites in 2019 so that water usage can be closely monitored.

Finite resources: Waste

		2016-17	2017-18	2018-19	2019-20	% change on base yr
Waste (tonnes)	Landfilled	1	0	0	0	
	Reused/recycled	771	569	608	580	232
	ICT waste reused/recycled	1	4	4	3	200
	Composted ⁶	252	267	244	243	263
	Energy from waste	278	363	416	334	146
	Incineration without energy recovery	0	0	0	0	
	Total waste ⁷	1,303	1,203	1,272	1,160	(18)
Spend (£000)	Total waste tonnes/m ²	0.0119	0.0109	0.0116	0.0098	68
	Landfilled	0	0	0	0	
	Reused/recycled	86	87	82	87	56
	ICT waste reused/recycled	N/A	N/A	N/A	N/A	
	Composted	35	40	36	39	177
	Energy from waste	42	54	66	59	56
	Incineration without energy recovery	0	0	0	0	
	Total waste	163	181	184	185	48

⁶ Disposal via anaerobic digestion

⁷ Excludes waste from Tate St Ives and Chadwell Heath; current contractors cannot provide tonnages

Finite resources: Water

		2016-17	2017-18	2018-19	2019-20	% change on base yr 5
Water use (m ³)	Total scope 1 & 2	190,495	181,224	96,207	116,400	
	Scope 2 m ³ per m ²	1.62	1.54	0.82	1.28	(22)
	Total scope 2 litres per visitor	22.55	22.71	11.79	14.08	(3)
Expenditure (£000)	Water supply	205	276	302	220	44

Biodiversity action planning

Tate, in partnership with its ISO 14001-certified landscape contractor, actively works to preserve and enhance biodiversity within its estate. Varied habitats are provided wherever possible and this year has seen a review of the types of plants in Tate gardens, including the addition of more bee-friendly plants and the introduction of bug hotels to encourage wildlife activity further. Tate has kept bees on the roofs of Tate Modern and Tate Britain since 2010.

Fulfilment of Museums and Galleries Act aims

Tate's fulfilment of the Museums and Galleries Act aims is best reflected by its expenditure on charitable activities. Charitable activities expenditure is broken down into three main areas: gallery activities, gallery operations and Collections. Gallery activities comprises all those costs associated with the public programmes of the four Tate galleries and of the media programmes and website; this includes exhibitions, education and communications and marketing expenditure. Gallery operations comprises visitor services and operations costs. Collections comprises all those costs associated with the Tate Collection; this includes conservation, art handling, photography and acquisitions related expenditure.

Immunity from seizure

From 18 June 2008 Tate is an approved body under Section 136 of the Tribunals, Courts and Enforcement Act 2007. This means that, subject to meeting the conditions set out in the Act, objects on loan from outside the United Kingdom for the purposes of a temporary exhibition may not be seized or forfeited by a United Kingdom court order (unless the court is required to make the order under European Community or international obligations). In accordance with regulations made under the Act, Tate publishes on its website specified information about such protected objects. This includes details of the provenance of the objects, including a statement indicating whether or not Tate possesses a complete history of ownership between the years 1933 and 1945.

Tate's Due Diligence Policy is published online as part of the Freedom of Information Publication Scheme and on the Immunity from Seizure pages of Tate's website. Tate has its own staff training materials for provenance research and internal staff meetings are held to discuss issues relating to immunity from seizure and due diligence.

Over the 2019-2020 period, 18 exhibitions and displays were shown at Tate containing works for which Immunity from Seizure was granted, covering 701 works in total. The individual exhibitions are listed below.

<i>Magic Realism</i>	60
<i>Pierre Bonnard: The Colour of Memory</i>	31
<i>Dorothea Tanning</i>	22
<i>Franz West</i>	36
<i>Takis</i>	7
<i>Dora Maar</i>	118
<i>Natalia Goncharova</i>	72
<i>Nam June Paik</i>	28

<i>Dóra Maurer</i>	18
<i>Andy Warhol</i>	108
<i>Olafur Eliasson: In real life</i>	5
<i>TM 2019 Display: 1973</i>	1
<i>Van Gogh and Britain</i>	17
<i>British Baroque: Power and Illusion</i>	4
<i>William Blake: The Artist</i>	90
<i>Aubrey Beardsley</i>	32
<i>Keith Haring</i>	51
<i>Huguette Caland</i>	1
TOTAL	701

Performance indicators

Performance indicators agreed with DCMS as part of the annual funding agreement process were achieved as follows:

Performance indicators	Actual 2020 000s	Actual 2019 000s
Access		
Number of actual visits	8,262	8,158
Number of unique users visiting the website	20,059	18,901
Audience profile		
Number of visits by children under 16	758	686
Number of overseas visits	3,659	3,627
Learning / outreach		
Children		
Number of facilitated and self-directed visits to the museum by visitors under 18 in formal education	295	176
Number of instances of visitors under 18 participating in on-site organised activities	481	615
Visitor satisfaction		
Percentage of visitors who would recommend a visit	99%	96%
Income generation		
	£000	£000
Self-generated income		
Admissions	13,195	10,835
Trading income	39,535	39,338
Fundraising (including capital)	34,316	32,058
Fees and other income	12,951	10,876
Donated works of art	13,250	10,805
	113,247	103,912
Regional engagement		
Number of UK loan venues	160	154

Visitor figures at Tate Modern in 2019-20 were 5.7 million, slightly down on the 5.8 million visitors in 2018-19. In the year ending 31 December 2019, Tate Modern was ranked the second most visited attraction by the Association of Leading Visitor Attractions, with 6.1 million visitors. Visitor figures at Tate Britain for 2019-20 were 1.6 million, up from 1.4 million in 2018-19. St Ives attracted 270,000 visitors, down from 300,000 in 2018-19. Tate Liverpool had 628,000 visitors in 2019-20 compared to 702,000 in 2018-19.

The number of unique users visiting the website has increased from just under 19 million in 2018-19 to over 20 million in 2019-20, thus continuing to build on the significant investment in the website and the digital platform project during 2018-19.

Financial review

In line with relevant reporting requirements, the consolidated statement of financial activities combines income and expenditure, capital (including major capital projects) and acquisitions for the Collection (including donated works of art). In terms of controllable revenue and expenditure items in the income and expenditure statement, Tate has managed to deliver a surplus despite the closure of the galleries in mid-March 2020 due to the Coronavirus pandemic. This is as a result of tightly controlling costs, in addition to continuing high attendance from a strong exhibition programme driving admissions income, Membership income and secondary spend through Tate Eats and Tate Commerce.

The consolidated statement of financial activities on page 46 shows total income and endowments of £155,010,000 (£142,003,000 in 2018-19). Of this amount £4,880,000 (£3,338,000 in 2018-19) was applied to the ongoing capital programme, £19,405,000 (£18,427,000 in 2018-19) to Collection acquisitions and £nil (£nil in 2018-19) to endowments. The remaining £130,725,000 (£120,238,000 in 2018-19) was taken to general funds to be applied to ongoing operations (see expenditure below).

Tate received £41,208,000 of Grant in Aid (£37,566,000 in 2018-19), provided through DCMS. Grant in Aid is made up of two elements:

- revenue grant used to support ongoing operations of £36,668,000 (£35,126,000 in 2018-19);
- general capital expenditure grant used to support the purchase and maintenance of fixed assets of £4,540,000 (£2,440,000 in 2018-19).

Tate continues to supplement this grant from other sources and self-generated income from trading, admissions and fundraising amounted to £113,802,000 for the year (£104,437,000 in 2018-19).

Expenditure includes the costs of generating donations and legacies, trading and other costs, investment management costs and costs of charitable activities. The consolidated statement of financial activities on page 46 shows total expenditure of £154,475,000 (£151,515,000 in 2018-19). Of this amount £24,122,000 (£33,785,000 in 2018-19) was applied to capital, including an impairment of fixed assets of £nil (£11,914,000 in 2018-19), £68,000 (£63,000 in 2018-19) to Collection acquisitions and £130,285,000 (£117,667,000 in 2018-19) was applied to ongoing operations (see above).

Over the past year, Tate has added works of art valued at £18,399,000 to the Collection (£18,121,000 in 2018-19). Of this figure, £13,250,000 has been donated by individuals either directly or in lieu of tax (£10,805,000 in 2018-19). Funding for purchased works of art has come from many sources, including the Art Fund, Tate Members, Tate Patrons, Tate International Council, Tate's Acquisition Committees, individual donors and foundations and self-generated income.

Reserves and funds carried forward of £1,675,361,000 (£1,698,196,000 in 2018-19) are:

	2020	2019
	£000	£000
Revaluation reserve	651,503	683,794
Capital reserves	483,974	492,908
Works of art reserves	504,783	485,820
General reserve	20,561	20,063
Endowment funds	12,773	14,091
Other restricted reserves	1,767	1,520
	1,675,361	1,698,196

For more details on reserves, please refer to note 16. For pensions accounting, please refer to note 8.

Fixed assets

Tate has property holdings in London, Liverpool, St Ives and Dean Hill, Salisbury. Following a full revaluation at 31 March 2019, Avison Young, independent property consultants, undertook a desktop revaluation of the Trustees' property holding at 31 March 2020. Due to the effect of the Coronavirus pandemic on the global market, the valuation is reported in these financial statements on the basis of 'material valuation uncertainty', meaning that less certainty – and a higher degree of caution – should be attached to the valuation than normally would be the case. Further disclosure on this can be found in Note 9.

The freeholds of the gallery and land at Millbank, London and the Barbara Hepworth Museum at St Ives were transferred from the Secretary of State for the Environment to the Board of Trustees of the Tate Gallery on 14 December 1994. The freehold for Tate Modern was transferred from Tate Gallery Projects Limited to Tate on 18 December 2017. The Trustees hold the property on the Liverpool and Dean Hill sites on long leases. Tate St Ives was constructed for and is owned by Cornwall County Council; the Board of Trustees of the Tate Gallery manages the gallery on behalf of Cornwall County Council. The Trustees purchased the freehold of the Collection Store at Southwark on 31 March 1999.

Additions to tangible fixed assets during the year of £2,659,000 (£3,038,000 in 2018-19) comprise £34,000 (negative £6,000 in 2018-19) in relation to buildings and leasehold improvements and £2,625,000 (£3,044,000 in 2018-19) on plant and fit-out and other assets.

Heritage assets comprise works of art; additions of £18,399,000 in the year (£18,121,000 in 2018-19) include items donated, bequeathed or given in lieu of tax to Tate with an approximate value of £13,250,000 (£10,805,000 in 2018-19). All works of art acquired during the year have been capitalised in accordance with section 34 FRS102, as detailed in note 10.

Subsidiary undertakings

The results of Tate's trading subsidiary are summarised in note 11 to the financial statements, together with other consolidated companies.

Payment of creditors

Tate aims to settle all bills within 30 days or in accordance with the suppliers' terms of business. In 2019-20 66% (66% in 2018-19) of invoices were settled in 30 days or less.

Going concern

The accounts have been prepared on the going concern basis. The anticipated income from government grant – including any additional funding approved following demonstration of need as a result of the effects of the Coronavirus pandemic - and self-generated income will be sufficient to meet Tate's ongoing expenses. Due to Tate's legal status under the Museums and Galleries Act 1992, there are no material uncertainties which may create significant doubt over Tate's ability to continue as a going concern.

Reserves policy

The Trustees review the reserves held annually. This review encompasses the nature of the income and expenditure streams, the need to match potentially variable income streams with largely fixed commitments and the nature of the reserves. The most recent review concluded that, in order to allow efficient financial management and to provide a buffer to give some assurance against interruption to the charitable activities, a general reserve equivalent to two months' worth of charitable expenditure should be maintained. At the year end the general reserve was £20,561,000

(£20,063,000 in 2018-19) equivalent to fourteen weeks' (sixteen weeks' in 2018-19) worth of charitable expenditure, excluding capital. It is the intention to reduce the general reserves back to the value of two months' worth of charitable expenditure. It is anticipated that general reserves will be used to cover operating and capital expenditure in 2020-21 as income will be reduced as a result of the temporary closure of the galleries due to the Coronavirus pandemic. In addition, the trustees have arranged a working capital loan to Tate Enterprises Limited to assist with their cashflow requirements and this will be funded from reserves. All other reserves are maintained at a level appropriate for their intended purpose. For more information on reserves, please refer to note 16.

Investments

An Investment Committee monitors the performance of the investment portfolio. Only funds intended to be held as long-term endowments are held as investments. Tate's investment managers must ensure that all investments are suitable under the Standard Investment Criteria of the Trustee Act 2000. The objective is to seek to achieve an income yield of 2.5% of the preceding year's closing value under normal market conditions, whilst aiming to grow capital ahead of inflation as defined by the Consumer Price Index over time. Both income generated and capital gains realised may be utilised by Tate for the purpose specified under each endowment. Tate's investment managers advise on the investment strategy required to meet the objective.

The investment return for the year was -6.17% (8.45% in 2018-19). At 31 March 2020, the investment fund was valued at £14,225,468 (£15,234,450 in 2018-19); historic cost £12,876,181 (£12,471,397 in 2018-19).

Future developments

Tate's mission is to increase public enjoyment and understanding of British art from the sixteenth century to the present day and of international modern and contemporary art. Its strategy is designed to fulfil this mission within the policy and resources framework available.

Activity in the next five years will see Tate deliver on the objectives in its plan:

- support artistic risk taking and scholarly excellence across the five centuries of British Art and the international modern and contemporary collections;
- grow audiences and membership to become more reflective of the UK and continue to attract a diverse global audience as visitors to Tate's exhibitions and digital spaces;
- enhance Tate's role as a global innovator by promoting a more diverse art history, reflecting how art is made and seen now;
- expand the possibilities of museum spaces as sites of learning, playing a leading role in practice and advocacy regarding the importance of creative learning and access to the arts for young people;
- redefine museum experiences for the 21st century, offering greater depth and range of experiences and offering visitors multiple points of engagement with Tate's Collection and ideas about art;
- expand access to the Collection across the four nations of the UK, taking a leading role in supporting and working in partnership with the regional museums ecology;
- make digital part of everything Tate does by placing audiences at the centre of experiences which span online, gallery and commerce spaces and collaborating across departments;
- maximise partnerships internationally to advance research, contribute to international dialogue about art and increase international fundraising;
- enable Tate's people to thrive and shift the workforce to more closely reflect the UK population today;
- develop Tate's estate and digital and technical infrastructure to preserve buildings and the growing Collection for the future and expand access to it through digital and physical means;
- develop a business model that has the flexibility to allow Tate to be bold and innovative with the art it shows and the audiences it reaches;
- reduce Tate's carbon footprint and take a lead on environmental sustainability and addressing the challenge of climate change within the cultural sector.

The immediate future will, of course, be determined by the process of adaptation following the impact of the Coronavirus pandemic of 2020. A major focus of the first part of the 2020-21 financial year will therefore be spent considering the impact of the virus, and also establishing what new patterns of working will emerge.

Employee involvement

Tate aims to promote a sense of ownership and involvement for all those who work and contribute towards its success. A range of formal and informal mechanisms operate to inform, engage, involve and gather ideas and feedback from employees.

Information is cascaded throughout the organisation through all staff emails and briefings, divisional briefings, departmental meetings and individual one-to-one meetings with employees. Efforts are made at all levels to give employees the chance to ask questions and provide feedback in order to help shape the organisation's future plans and working practices. Tate has a dedicated Internal Communications Manager and operates its own intranet site, Tatenet, which contains a wide range of information from news and updates about what is happening within Tate to vacancies and more detailed information on Tate's teams, policies and processes.

To promote engagement and involvement of staff, Tate has created the following staff networks: Tate Staff Council (a consultative body that brings together senior managers and employee representatives from all sections of Tate) and Tate's four Diversity Networks (Black, Asian and Minority Ethnic (BAME) network, the Disability (disABILITY) network, Parents and Carers Network and the Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ+) network). Tate's staff networks allow people who work at Tate to come together to focus on issues that are important to them and to Tate as a whole. They play an important role in helping Tate achieve its objectives by improving decision making and working towards a more inclusive culture.

Tate recognises three trade unions: First Division Association (FDA), Public and Commercial Services Union (PCS) and Prospect. The trade unions negotiate pay and pay-related conditions of service for all employees other than directors.

Tate is committed to understanding how employees feel about working for Tate and continuously improving this experience. This includes carrying out regular employee surveys. The last survey was carried out in 2019.

Director and employee composition

At 31 March 2020, the composition of directors was as follows:

Group		Tate	
Female	14	Female	13
Male	6	Male	5
Total	20	Total	18

At 31 March 2020, the composition of employees was as follows:

Group		Tate	
Female	1006	Female	638
Male	578	Male	307
Total	1584	Total	945

Disability and access

Those who work at Tate are essential to its future success. Tate is committed to ensure we represent the cities and regions in which we operate and to create the right conditions for everyone to thrive. This includes addressing barriers to access for those who are disabled so that opportunities to visit its galleries, participate in its programmes and work at Tate are open to everyone.

Tate is committed to ensuring that opportunities to work at Tate are open to all, including disabled people and that disabled employees feel valued and able to be themselves in the workplace. To support this, Tate has signed up to the Disability Confident Scheme and achieved 'Employer' level. On the recommendation of Business Disability Forum, our diversity partner, Tate has undertaken systematic reviews of the barriers in our recruitment processes for disabled candidates. We are explicit in our job descriptions and adverts that we support adjustments throughout the recruitment process, from taking verbal applications through to extended interview times. This is also evidenced through our mandatory recruitment training and policies. This has all contributed to being recognised as a Disability Confident Employer. This year Tate launched the WE MAKE CHANGE 2019 programme at providing career development opportunities for staff from a Black, Asian and Minority Ethnic (BAME) background and/or those who identify as deaf or disabled.

Staff are able to manage and confidentially declare their disabled status through our HR self-service portal, from which Tate annually reports and monitors its diversity profile. We publish externally an overall profile, provide senior leaders with divisional profiles and recruitment reports and monitor progressions of disabled staff through a quarterly dashboard. Through Tate's annual staff survey, we are also able to monitor responses by our disabled workforce and create actions that are specific to this community. One such action is the creation of the disABILITY staff network that support over 100 members.

To support staff who may become disabled during their career with us, we have a specific framework of support. The Workplace Adjustments Framework and associated guidance documents, online module, and self-assessment forms, clearly articulates the support available to staff who may find themselves temporarily or permanently disabled. It also is clear in our commitment to reduce barriers to support our workforce to thrive. We also provide a range of support including an Employee Assistance Programme,

In March 2020, Tate employed 53 staff (44 in March 2019) who declared that they have a disability, as defined by the Equality Act 2010.

In terms of audiences, over the last year Tate has continued its work with Nick Goss Consulting to deliver a programme of 'Disability Confident' training that focuses on creating an inclusive welcome for disabled visitors. Over 100 colleagues attended this training every year. Tate St Ives has established an Access Working Group that is reviewing barriers to disabled people at the gallery. To better understand the experience of disabled visitors the Audience Research team has included an access question into all evaluation studies. In 2020, Tate will be relaunching its Access Advisory Panel and creating a long-term commitment to access for disabled visitors, staff and volunteers. This year Tate created 15 Access Auditors who will deliver the new Accessibility Programme to ensure our exhibitions continue to support disabled people.

Sickness absence data

The average number of days absent through sickness per full-time equivalent staff member was 6.2 in 2019-20 (6.8 in 2018-19).

Social policy and wider public benefit

Tate aims to serve as wide a public and be as inclusive as possible, and the Vision and plan developed this year make this central. The Vision is for Tate:

- to serve as artistically adventurous and culturally inclusive art museums for the UK and the world that are open, bold, rigorous and kind in all that they do;
- to celebrate the art of the past and present in its complexity and diversity, supporting artistic risk-taking and deep scholarship, shared with all its audiences, in its buildings, in exhibitions it tours, through works it loans, and across its digital spaces;
- to welcome audiences that better reflect the towns and cities in the nation and attract a diverse international public. Tate's reach is already powerful. Tate intends to increase its impact across society, with art that will resonate around the world;

- to champion the importance of making art and encourage people to explore the many ways in which art is created and how they can develop their own creative potential;
- to share and celebrate access to the Collection and deepen knowledge and understanding of its importance.

The projects described earlier in this foreword demonstrate this Vision. In particular, Tate's commitment to climate action is a mark of the awareness that all staff have of the role that Tate plays in its wider environment, both in terms of the influence it has, and the impact of its activities.

Programming and other activities regularly address key issues of social concern or seek to engage specific audiences. Tate Exchange is a good example, established with this purpose at its heart. More individual programming, such as that in relation to addiction around the Keith Haring exhibition in Liverpool, often draws on particular aspects of exhibitions or interests of artists.

Signed

Maria Balshaw
Director, Tate

14 October 2020

Signed

Lionel Barber
Chairman, Tate

14 October 2020

REMUNERATION REPORT

Membership

The Remuneration Committee, advising on contractual terms and remuneration for the Director, Managing Director and senior directors who report to the Director on an annual basis, is made up of the following Trustees: Lionel Barber (Chair), Tim Davie CBE, Dame Moya Greene DBE and Dame Jayne-Anne Gadhia DBE.

Policy on the remuneration of senior managers

Annual pay increases for those members of staff who come under the scope of the Committee are determined on the basis of an assessment of performance against agreed objectives and with reference to internal and external market comparisons.

All senior employees are members of the Civil Service Pension Scheme with associated redundancy and retirement conditions.

Policy on duration of contracts, notice periods and termination payments

Senior staff are permanent employees of Tate. Notice periods for directors are six months; termination payments are in accordance with Tate contractual terms.

Senior directors

In accordance with Treasury guidance per the Financial Reporting Manual (FRM) paragraph 5.3.1, all entities are required to prepare a remuneration report containing certain information about the directors' remuneration. "Directors" shall be interpreted to mean persons in senior positions having authority or responsibility for directing or controlling the major activities of the entity. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or sections within the entity.

Following a change to the Executive Group members in January 2018, the Accounting Officer and the Audit Committee have decided that this requirement encompasses the posts listed below, whose emoluments and pension details are disclosed. Tate considers that no other key management staff details need to be disclosed under this guidance for 2019-20.

The following paragraphs have been subject to audit.

The Director is eligible to receive a contractual bonus of up to 15% of salary, of which an amount equivalent to the average annual pay increase across Tate can be consolidated into her salary. The Chief Operating Officer is eligible to receive a contractual bonus of up to 10% of salary. The former Managing Director was eligible to receive a contractual bonus of £25,000. Bonuses are paid annually in arrears.

Salary entitlements		2019-20	2018-19
		£	£
Maria Balshaw, Director	a	198,010	185,625
Kerstin Mogull, Managing Director	b	189,951	182,683
Victoria Cheetham, Chief Operating Officer	c	163,900	-

^a Includes a non-consolidated performance-related bonus of £25,171 (2018-19: £17,820);

^b Until July 2019; includes a non-consolidated performance-related bonus of £25,000 (2018-19: £25,000);

^c From November 2019; includes a non-consolidated performance-related bonus of £14,900 (2018-19: £nil).

The salary entitlements above represent one full year contractual salary including bonus entitlements. The actual amounts paid are disclosed in the following table.

	2019-20					2018-19				
	Salary (excluding non- consolidate d performanc e-related pay) £000	Non- consolidate d performanc e pay £000	Benefits- in-kind £000	Pensio n benefits d (to the nearest £1,000) £000	Total remuneratio n £000	Salary (excluding non- consolidate d performanc e pay) £000	Non- consolidate d performanc e pay £000	Benefits -in-kind £000	Pension benefits (to the nearest £1,000) £000	Total remuneratio n £000
Maria Balshaw, Director	170-175	25	Nil	52	195-200	165-170	18	Nil	41	185-190
Kerstin Mogull, Managing Director	55-60	32 ^c	Nil	18	90-95	155-160	25	Nil	39	180-185
Victoria Cheetham, Chief Operating Officer	60-65	Nil	Nil	18	60-65	Nil	Nil	Nil	Nil	Nil
Band of highest-paid director's remuneration		195,000- 200,000							185,000- 190,000	
Median remuneration		27,586							27,650	
Ratio		7.2							6.8	

^c In 2019-20, Kerstin Mogull received the £25,000 contractual bonus for 2018-19 plus a pro-rata'd contractual bonus up to the leaving date for 2019-20 of £7,000.

^d The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest-paid director in Tate in the financial year 2019-20 was £195,000-200,000 (2018-19: £185,000-190,000). This was 7.2 times (2018-19 6.8) the median remuneration of the workforce, which was £27,586 (2018-19 £26,750). In 2019-20, no employees (2018-19: nil) received remuneration in excess of the highest-paid director. Remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include employer pension contributions and the cash equivalent transfer value of pensions. No compensation for loss of office was paid to board members during the year.

	Accrued pension at end date at 31 March 2020 £	Real increase / (decrease) in pension at end date £	CETV at 31 March 2020 £	CETV at 31 March 2019 or start date £	Real increase / (decrease) in CETV £
Maria Balshaw, Director					
Pension	52,827	4,010	633,541	560,207	34,176
Lump sum	-	-	-	-	-
Victoria Cheetham, Chief Operating Officer					
Pension	1,408	1,408	15,889	-	11,428
Lump sum	-	-	-	-	-

Maria Balshaw and Victoria Cheetham are both members of the Civil Service defined benefit pensions scheme, and contributed 8.05% and 7.35% respectively of their annual salary, subject to the relevant capped limit, to their pensions.

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the members' accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are calculated in accordance with The Occupational Pensions Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction in benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

The real increase in CETV reflects the increase that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

The Board of Trustees of the Tate Gallery, who hold overall responsibility for Tate, are not remunerated. Expenses paid are disclosed in note 8 to the accounts.

Off-payroll engagements

In accordance with Treasury guidance per the Financial Reporting Manual (FReM) paragraph 5.3.28 all entities are required to present information on high paid and/or senior off-payroll engagements.

Table 1: Off-payroll engagements as of 31 March 2020, for more than £245 per day and that last for longer than six months

Number of existing engagements as of 31 March 2020	13
Of which	
Number that have existed for less than one year at time of reporting	8
Number that have existed for between one and two years at time of reporting	4
Number that have existed for between two and three years at time of reporting	0
Number that have existed for between three and four years at time of reporting	1
Number that have existed for four or more years at time of reporting	None
<i>Confirmation that all existing off-payroll engagements, outlined above, have at some point been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.</i>	

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020, for more than £245 per day and that last for longer than six months

Number of new engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020	12
Of which	
Number assessed as caught by IR35	None
Number assessed as not caught by IR35	12
Number engaged directly (via PSC contracted to department) and are on the departmental payroll	None
Number of engagements reassessed for consistency / assurance purposes during the year	12
Number of engagements that saw a change to IR35 status following the consistency review	None
<i>In any cases where, exceptionally, the department has engaged without including contractual clauses allowing the department to seek assurance as to their tax obligations – or where assurance has been requested and not received, without a contract termination – the department should set out the reasons for this.</i>	

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2019 and 31 March 2020

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	None
Number of individuals that have been deemed “board members, and/or, senior officials with significant financial responsibility”, during the financial year. This figure should include both off-payroll and on payroll engagements	3
<i>In any cases where individuals are included within the first row of this table the department should set out:</i>	
• details of the exceptional circumstances that led to each of these engagements; • details of the length of time each of these exceptional engagements lasted.	

Trade union facility time

In accordance with the Trade Union (Facility Time Publication Requirements) regulations 2017, all entities are required to present information on trade union facility time in their organisations. Facility time is paid time off for union representatives to carry out trade union activities.

Table 1: Relevant union officials

Number of employees who were relevant union officials during the relevant period	22
Full-time equivalent employee number	17

Table 2: Percentage of time spent on facility time

<i>Percentage of time</i>	<i>Number of employees</i>
0%	4
1-50%	18
51%-99%	-
100%	-

Table 3: Percentage of pay bill spent on facility time

Pay spent on facility time	£3,834
Total pay bill (wages + ER NI +ER Pension)	£37,297,924
Percentage of facility time against total pay bill	0.01%

Table 4: Paid union activities

Paid union activities	0%
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Signed

Maria Balshaw
Director, Tate

14 October 2020

Signed

Lionel Barber
Chairman, Tate

14 October 2020

STATEMENT OF TRUSTEES' AND DIRECTOR'S RESPONSIBILITIES

Under Section 9(4) and (5) of the Museums and Galleries Act 1992, the Board of Trustees is required to prepare a statement of account in the form and on the basis directed by the Secretary of State for Digital, Culture, Media and Sport with the consent of the Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Tate and of its net incoming resources and net movement in funds and cash flows for the financial year.

In preparing the Tate accounts the Board of Trustees is required to:

- observe the accounts directions issued by the Secretary of State*, including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that Tate will continue its operation.

The Accounting Officer for the DCMS has designated the Director as the Accounting Officer for Tate. Her relevant responsibilities as Accounting Officer, including her responsibility for the propriety and regularity of the public finances for which she is answerable and for the keeping of proper records and for safeguarding Tate's assets, are set out in Managing Public Money.

The Accounting Officer and Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charitable NDPB's auditors are aware of that information. "Relevant audit information" means information needed by the entity's auditor in connection with preparing the audit report. The Accounting Officer and Trustees confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and have taken personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

Signed

Maria Balshaw
Director and Accounting Officer, Tate

14 October 2020

Signed

Lionel Barber
Chairman, Tate

14 October 2020

* a copy of which is available from: The Accounting Officer, Tate, Millbank, London, SW1P 4RG

GOVERNANCE STATEMENT

Introduction

Tate is an executive non-departmental public body (NDPB) sponsored by the Department for Digital, Culture, Media and Sport (DCMS) and an exempt charity defined by Schedule 3 to the Charities Act 2011. It is exempt from registration with and oversight by the Charity Commission and is regulated by DCMS in accordance with a management agreement agreed by the Secretary of State for Digital, Culture, Media and Sport for charity law purposes. Tate's management agreement for the period 2016-2020 sets out the broad governance framework within which Tate operates.

The governance framework

Tate is governed by a Board of Trustees in accordance with the Museums and Galleries Act 1992. The role of the Board of Trustees is to determine policy and set strategic direction, ensuring that Tate fulfils its statutory mission and objectives as set out in the Museums and Galleries Act 1992.

The Board is advised by a number of formal sub-committees, some of which have delegated authority, as set out below.

The Board delegates the day-to-day management and administration of Tate to the Director, currently Dr Maria Balshaw, who is responsible to the Board for the general exercise of its functions and, as Tate's Accounting Officer, she is responsible to the Board of Trustees, DCMS and Parliament for safeguarding the public funds for which she has charge.

The governance framework comprises the systems and processes, culture and values by which Tate is directed and controlled. It enables Tate to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective activities. It also ensures accountability. No governance processes have been either fully, or temporarily, suspended during the year.

Tate follows governance best practice for public service and charitable bodies and, in so far as it applies, the Board has assessed itself to have been fully compliant with the relevant principles set out in the *Corporate governance in central government departments: Code of good practice (2017)* for the 2019-20 period.

This year, Tate also commissioned an independent review of its Trustee and non-executive Governance to be undertaken by Prue Skene. The review was conducted from September to January and included the observation of one or more meetings of the Board and each of its councils and committees. It concluded that the Board was fit for purpose, well run and supported. Minor recommendations included the clarification of the site councils as being advisory and supportive of the site directors and the reduction of the quantity of the materials produced for meetings.

The Board of Trustees

The Board of Trustees comprises fourteen Trustees. Thirteen of these are appointed by the Prime Minister, following a transparent public appointment process which follows the Government's Governance Code for Public Appointments. The remaining Trustee is a member of the Board of Trustees of the National Gallery and as such is appointed by them. Correspondingly, one of Tate's Trustees sits on the National Gallery Board. The Museums and Galleries Act 1992 specifies that three of Tate's Trustees must be practicing artists.

Trustees are usually appointed for four years and may be reappointed for a further term though it is current convention that artists serve only one term. Trustees elect a Chairman from among their number.

During 2019-20, Stephen Witherford retired from the Board and Farooq Chaudhry was appointed to succeed him as an artist trustee, attending his first meeting in September 2019.

Trustees who served during the year and their attendance at meetings* are shown in the following table:

- Lionel Barber (Chairman) – 6 of 6 meetings
- John Akomfrah CBE – 2 of 6 meetings
- John Booth – 6 of 6 meetings
- Farooq Chaudhry – 4 of 4 meetings
- Tim Davie CBE – 5 of 6 meetings
- Dame Jayne-Anne Gadhia DBE – 5 of 6 meetings
- Dame Moya Greene DBE – 5 of 6 meetings
- Katrin Henkel – 5 of 6 meetings
- Anna Lowe – 6 of 6 meetings
- Michael Lynton – 2 of 6 meetings
- Dame Seona Reid DBE – 5 of 6 meetings
- Roland Rudd – 6 of 6 meetings
- James Timpson OBE – 5 of 6 meetings
- Jane Wilson – 5 of 6 meetings
- Stephen Witherford – 1 of 1 meeting

* (of the total meetings Trustees were eligible to attend)

In July, the Board also held its annual away day to discuss strategy. An extraordinary meeting was also convened in March to discuss the impact of the Coronavirus pandemic. The March meeting was conducted by teleconference during the lockdown period.

The Board of Trustees is required to follow the principles established by the Nolan Committee in the conduct of public bodies; this includes the declaration of individual Trustees' interests. A Register of Trustees' Interests is kept to identify any potential, perceived or actual conflicts of interest. The Register is reviewed annually by the Audit Committee and the Board of Trustees and is publicly available on Tate's website.

On appointment, Trustees are provided with a Trustee Handbook which acts as a governance code and details the general role and responsibilities of Trusteeship and key information which Trustees require to perform their roles. All new Trustees attend an induction which covers roles and responsibilities of the Board, processes for managing conflicts of interest and information about Tate. Appropriate training is also offered to Trustees depending on need and experience.

Trustees' specific role specifications are developed in accordance with the Board skills matrix, which has been developed by Tate to match its business and strategic aims. It is regularly reviewed by the Trustees via the Nominations and Governance Committee and as part of the annual Board Effectiveness review process. These individual skills are based on Tate's responsibilities and aims and are grouped into four broad categories: art, business, public realm and regional.

Delegation of authority and matters reserved to the Board

The establishment, constitution, functions and property of the Board of Trustees is defined in the Museums and Galleries Act 1992. The Board oversees the management of the gallery, with the Trustees acting as guardians of the public interest. It determines policy and sets the strategic direction for Tate, leaving operational matters to the Director. The Board decides on major acquisitions and resource allocations. It represents Tate externally, monitors the organisation's performance against its agreed objectives and targets and ensures the stewardship of public funds.

A number of specific issues are reserved for decision by the Board of Trustees:

- approval of the forward plan, including strategic priorities and budgets;
- approval of the statutory accounts and Annual Report;
- acquisition and disposal of land and buildings and approval of all contracts over £2 million;

- acquisitions of artworks over £250,000 (acquisitions of artworks over £100,000 are delegated to Collection Committee);
- formation and dissolution of subsidiary companies and sub-committees of the Board;
- appointments to the Board's sub-committees;
- variation of admission charge policies;
- use of designated Trust Funds;
- authorisation of signatories on behalf of the Board;
- approval of policies relating to reserved areas: health and safety; environment; equality and diversity; investment; ethics; data protection; IS security; safeguarding; and the policies relating to Trustee benefit;
- approval of acquisition, disposal, loan and due diligence policies for the Collection and of major Collection purchases;
- appointment of the Director, with the approval of the Prime Minister;
- approval of Tate's Management Agreement with DCMS;
- approval of programme commitments with reference to sponsorships and donations;
- appointment of Tate's bankers.

Board business 2019-20

During 2019-20, the Board considered key strategic issues, matters arising and routine business planning, including:

- the budget for the financial year 2020-21;
- Tate's future fundraising strategy;
- a review of the incident that occurred at Tate Modern in August 2019 and deliberation of the options considered thereafter;
- the vision and programme for each Tate site;
- the Pudong consultancy;
- plans to develop the People Strategy;
- business and finance: the Board regularly discussed current and forward budgets, management information, progress against performance indicators and the development of the forward business plan;
- policies: the following policies within the Board's policy framework were reviewed and approved by the Board – data protection policy; records management policy; health and safety policy; Trustee and Committee member conflict of interest management policy; loans policy; Modern Slavery Act policy; and policy statement and IS Security policy.

The Board was kept informed of Tate's response to the Coronavirus pandemic both through extraordinary meetings and updates at its scheduled meetings, approving decisions as required. The Chairs of the Finance and Operations and Audit Committees were also updated and informed regularly, raising matters with Trustees and Committee members as appropriate. The March 2020 Board focused solely on the impact of Coronavirus, with other business either deferred or considered by Trustees outside the meeting where possible.

Minutes of Board meetings, with relevant exemptions applied under the Freedom of Information Act 2000 are regularly published on Tate's website as part of the publication scheme.

Board effectiveness

The Board of Trustees conducted its annual effectiveness review in March 2020. The Board meeting of that month took place digitally and focused on the extraordinary situation of the Coronavirus Pandemic. In light of guidance issued by the National Audit Office in respect of the timings of the laying of the Accounts this year, and the recently concluded review of non-executive Governance, the annual discussion of Board Effectiveness was deferred.

Prior to the pandemic, the review followed the procedure adopted in previous years. Trustees were asked to rate the Board's effectiveness in relation to the following areas: contribution and culture; process and structure; composition and leadership; and oversight and performance. The review was informed by the work of the internal auditors and the views of Tate's executive team. In addition, the

Chairman conducted appraisal meetings with individual trustees to review each member's contribution to the Board; the Chairman's appraisal was undertaken by the Senior Independent Trustee, Dame Moya Greene DBE.

Pending final review, the Board overall rated its effectiveness highly. Trustees indicated that they are satisfied that the quality of data they receive is sound and there are effective and appropriate processes in place that meet the requirements of good governance. Trustees identified a number of areas of future priority, including strengthening regional representation at Board level, strategy formation in relation to the development of the Collection and ensuring future sustainability of Tate's operating model.

Board sub-committees

The Museums and Galleries Act 1992 allows the Board to establish sub-committees and councils to undertake its activities more efficiently. The Board is advised by a number of formal sub-committees, as set out below:

- committees with delegated authority from the Board: Audit Committee, Collection Committee, Freedom of Information Appeals Committee; Remuneration Committee; Investment Committee;
- advisory committees with no formal decision-making authority: Finance and Operations Committee; Nominations and Governance Committee; Ethics Committee;
- advisory councils: Tate Britain; Tate Modern; Tate Liverpool; Tate St Ives; Tate Members.

Comprising both Trustees and non-Trustees and chaired by a Trustee, councils and committees report to the Board following their meetings through their Trustee Chair. Committees provide detailed expertise and help to advise the Board on specific areas of Tate's operations. The four site councils are advisory to the director of the relevant site. Tate Members Council is advisory to the executive; it is chaired by an independent chair and is attended by a Trustee member who reports to the Board following each meeting.

Collection Committee has authority to approve Collection purchases up to £250,000 on behalf of the Board of Trustees, to oversee the Director's purchase authority within this limit and to approve gifts to and loans from the Collection within the policy agreed by the Board of Trustees. Collection Committee meets four times each year. Attendance* for 2019-20 was as follows:

- John Akomfrah CBE (Chair and Trustee) – 4 of 4 meetings
- John Booth (Trustee) – 2 of 3 meetings
- Briony Fer (co-opted member) – 4 of 4 meetings
- David Taylor (co-opted member) – 1 of 4 meetings
- Jane Wilson (Trustee) – 2 of 4 meetings

* (of the total meetings members were eligible to attend)

Audit Committee has authority on behalf of the Board of Trustees to carry out the appointment of external auditors to Tate subsidiaries and to appoint other relevant consultants. The Committee considers Tate's internal control structure, internal and external audit risk, compliance with the regulatory environment, relevant codes of conduct and the statutory accounts. Audit Committee meets four times each year. Attendance* for 2019-20 was as follows:

- Dame Jayne-Anne Gadhia DBE (Chair and Trustee) – 4 of 4 meetings
- John Booth (Trustee) – 4 of 4 meetings
- Raif Jacobs (co-opted member) – 4 of 4 meetings
- Laurie Fitch (co-opted member) – 4 of 4 meetings
- Charles Roxburgh (co-opted member) – 2 of 4 meetings
- Stephen Witherford (Trustee) – 1 of 1 meeting

* (of the total meetings Members were eligible to attend)

Remuneration Committee comprises four Trustee members, including the Chairman, the Senior Trustee, Dame Moya Greene DBE, the Chair of Finance and Operations Committee, Dame Jayne-Anne Gadhia DBE and Tim Davie CBE. The Committee met in September 2019 to consider the performance and remuneration of the Director and senior management team as detailed in the Remuneration Report.

In 2019-20, the Freedom of Information Appeals Committee considered business on paper only. The Committee is chaired by Dame Jayne-Anne Gadhia DBE.

Highlights of Board committee reports 2019-20

During 2019-20, Audit Committee, Finance and Operations Committee, Collections Committee and Ethics Committee all considered issues of strategy, governance and risk, including reputational risk.

Audit Committee covered items of business including: the risk register; business continuity planning; Trustee and senior staff registers of interest; insurance; internal audits, including estates management and physical security; financial reserves and controls, including controls in place to prevent bribery, corruption and fraud; compliance with DCMS management agreement and new regulations; information systems and data security; Tate's health and safety; IS security and data protection policies; and scrutiny of the statutory accounts. At the Board's request, it also examined a detailed review of the tragic incident at Tate Modern in August 2019 and options appraisal thereafter. This was reported to the Board for its decision.

Finance and Operations Committee advised the Board on: the budget; information systems; estates; capital projects; people matters and human resources; change programmes; management information; government spending controls; and international partnerships.

In addition to approving Collection purchases up to £250,000 under the terms of its delegated authority from the Board of Trustees, Collections Committee discussed Collection development and strategies more broadly and handled copyright and legal issues resulting from acquisitions.

Ethics Committee scrutinised and advised the Board on current and prospective corporate sponsorships and support from individuals, international partnerships and other areas of potential reputational risk. The Committee also examined specific areas of operation, including freedom of information and the conflict of interest management policy.

Nominations and Governance Committee advised the Board on Trustee reappointments, Board skills and succession planning, appointments to Board sub-committees and sub-committee terms of reference.

Subsidiary undertakings

The Board of Trustees of the Tate Gallery owns the whole of the issued share capital of Tate Enterprises Limited and Tate Exhibition Productions Limited. Further information is provided in note 11 to the financial statements.

Senior Management Team

The Board has delegated responsibility for implementation of its strategy and operational matters to the Director, who has responsibility under the Board for the overall organisation, management and staffing of Tate. The Director of Tate is appointed by the Board of Trustees with the approval of the Prime Minister.

Executive Group, consisting of Tate's senior directors, considers and agrees budgets and resource frameworks, as well as strategies and policies where there are resource implications for Tate. Directors Group serves as a forum for consultation and discussion on important strategic, policy and operational issues and a decision-making body on Tate-wide policy issues without resource implications. Both groups are chaired by the Director, Dr Maria Balshaw. Appropriate management

structures have been created throughout the organisation to assist Tate's directors with overseeing their respective departments and areas of responsibility.

The directors serving in the period 2019-20 were:

Dr Maria Balshaw CBE: Director, Tate*

Anna Abbott: Director of Audiences

Anne Barlow: Director, Tate St Ives*

Helen Beeckmans: Director of Communications

Achim Borchardt-Hume: Director of Exhibitions, Tate Modern

Vicky Cheetham, Chief Operating Officer* (from November 2019)

Anna Cutler: Director of Learning and Research*

Alex Farquharson: Director, Tate Britain*

Ann Gallagher: Director of Collections, British Art (until October 2019)

Claire Gylphe: Director of Development (from June 2019)

Hilary Knight: Digital Director

Helen Legg: Director, Tate Liverpool*

Rosemary Lynch: Director of Collection Care*

Kerstin Mogull: Managing Director* (until June 2019)

Frances Morris: Director, Tate Modern*

Gregor Muir: Director of Collections, International Art

Judith Nesbitt: Director of National and International Partnerships (until January 2020)

Nigel Randall: Director of Technology

Cheryl Richardson: Director, Human Resources (until April 2019)

Andrea Schlieker, Director of Exhibitions and Displays, Tate Britain

Polly Staple, Director of Collection, British Art (from November 2019)

Stephen Wingfield: Director of Finance and Estates*

* (denotes members of Executive Group)

Risk management and internal control

The Board of Trustees ensures that effective arrangements are in place to provide assurance on risk management and internal control. As Tate's Accounting Officer, the Director is responsible for managing risk and reviewing the effectiveness of the system of internal control. The review is informed by the work of the internal auditors and the executive managers within Tate who have responsibility for the development and maintenance of the overall internal control and risk framework. Audit Committee supports the Board and Accounting Officer by providing oversight and guidance on risk management, governance and internal control. Comments made by the external auditors in their management letter and other reports are also taken into account and a plan to ensure continuous improvement of the system is in place.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Tate policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically.

The Risk Management Strategy and Policy, updated and agreed by the Audit Committee in June 2017, describes Tate's approach to risk management and the process to be adopted by managers in its implementation. The policy has been issued to all Directors and is available on Tate's intranet.

The policy sets out the roles and responsibilities for risk management, including those for the Trustees, Audit Committee and the Directors Group. The Trustees have responsibility for ensuring effective risk management processes are in place across Tate, the monitoring of which has been delegated to the Audit Committee. The actual risk management processes are the responsibility of Tate management and are embedded in the management process.

Risk is reported at divisional and Tate-wide levels. Directors are responsible for maintaining a risk register for their division. The most significant risks facing Tate are detailed in the corporate risk register, which is reviewed by Executive Group directors and the Audit Committee twice a year. The risks have all been assessed and scored for impact, probability and proximity and a mitigation policy has been formulated taking into consideration the targeted risk profile. Each risk is assigned a risk owner.

Risks are explicitly reviewed:

- as part of the annual planning and budget process;
- as part of policymaking;
- by the Audit Committee, consisting of Members of the Board of Trustees and co-opted members, which meets four times a year;
- at Executive Group and Directors Group meetings, with appropriate action being taken as necessary;
- at a divisional level and acted upon where necessary;
- by project boards.

Tate Eats and Tate Commerce risk registers are reviewed by Tate Enterprises' Audit Committee.

The targeted risk profile of Tate is defined against the following risks:

- programme/content;
- regulation/compliance;
- reputation;
- health and safety, security;
- financial.

The targeted risk profile is reviewed annually and approved by the Audit Committee, most recently in June 2020.

At Tate the main processes in place for identifying, evaluating and managing risk are:

- to ensure that risk identification is an integral part of the annual planning and budgeting process with risks linked to objectives;
- performance against budget and objectives is regularly reviewed by Trustees;
- key performance indicators are included in internal reports and regularly reviewed by Trustees;
- clearly defined capital investment procedures and formal project control disciplines;
- directors consider risk when assessing any major project and formally review significant risks before they are reviewed by the Audit Committee.

Risk management forms part of a biennial review by internal audit. The Board of Trustees has contracted the internal audit service to RSM, which operates to the standards defined in the Public Sector Internal Audit Standards. The work of the internal auditors is informed by an analysis of the risk to which the organisation is exposed, and annual audit plans are based on this analysis. The analysis of risk and internal audit plans are approved by the Audit Committee and internal audit reports, key findings and progress towards the implementation of recommendations is reviewed at each meeting.

The internal auditors provide an annual report on the internal audit activity carried out. The report includes the internal auditor's independent opinion on the adequacy and effectiveness of Tate's arrangements for governance, risk management and control, together with recommendations for improvement.

Based upon the programme of work undertaken by internal audit during 2019-20, the Head of Internal Audit provided the opinion that overall, some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control. Of ten assurance, one advisory and two follow up reviews which were completed, three negative opinions were issued. A follow up review of the agreed management actions has subsequently been undertaken and identified that 2 high priority actions relating to IT disaster recovery remain

outstanding. A partial assurance opinion, or better, was given for other assurance reviews carried out and action plans have been agreed to address the recommendations made.

Significant risks

During the year the following significant changes have been made to the risk register:

- addition of the risk relating to the Coronavirus pandemic and the closure of the galleries and back office functions from mid-March 2020;
- increased risk rating for failure to plan across Tate in light of more limited resources.

The most significant risks are:

- loss of income and delays to implementation of Tate's 5 year plan due to the Coronavirus pandemic closure period, restrictions on travel and social distancing measures;
- ensuring that Tate has a sustainable operating and financial model in the medium to long term;
- uncertainty regarding end of Brexit transition period and potential impact on EU staff and transport of artworks;
- failing to attract, retain and motivate staff who use their skills and knowledge to deliver Tate's objectives.

Significant incidents arising relevant to internal control

There were no significant incidents during the year.

Personal data related incidents

Tate maintains a record of incidents involving the loss, unauthorised disclosure or insecure disposal of personal data, whose release risks causing harm or distress to the individuals concerned. The incident record includes the nature of the incident, the nature of data involved, the number of people potentially affected, and the steps taken to notify the individuals concerned. Based on severity, these incidents are reported to the Information Commissioner's Office (ICO). This year, Tate reported three incidents to the ICO; in each incident, the commissioner was satisfied with Tate's handling and risk mitigation.

Whistleblowing arrangements

Tate is committed to the highest standards of openness, probity and accountability. It has a whistleblowing policy and procedures which are in line with the most recent Guidance and Code of Practice on Whistleblowing issued by the Department of Business Energy and Industrial Strategy. The policy was reviewed by Audit Committee and the Board of Trustees in November 2019 and updated. No internal whistleblowing activities were brought to management's attention in the period covered by this report.

Signed

Maria Balshaw
Director and Accounting Officer, Tate

14 October 2020

Signed

Lionel Barber
Chairman, Tate

14 October 2020

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

Opinion on financial statements

I certify that I have audited the financial statements of the Board of Trustees of the Tate Gallery for the year ended 31 March 2020 under the Museums and Galleries Act 1992. The financial statements comprise: the consolidated Statement of Financial Activities, the consolidated and Tate Balance Sheets, the consolidated Statement of cash flows and the related notes, including the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as adopted by the European Union. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of the group's and of the Board of Trustees of the Tate Gallery's affairs as at 31 March 2020 and of its net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Museums and Galleries Act 1992 and Secretary of State directions issued thereunder.

Emphasis of matter

I draw attention to Note 9 to the financial statements, which describes the basis for valuing the Tate's property. Management consider that due to the impact of COVID-19 there is a 'material valuation uncertainty' associated with this balance. Consequently, less certainty and a higher degree of caution should be attached to management's valuation than would normally be the case. My opinion is not modified in respect of this matter.

Opinion on regularity

In my opinion, in all material respects the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2016. I am independent of the Tate in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the Tate Gallery's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Tate Gallery have not disclosed in the financial statements any identified material uncertainties that may cast doubt about the group's or the Tate Gallery's ability to continue

to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Responsibilities of the Trustees and Director

As explained more fully in the Statement of Trustees' and Director's Responsibilities, the Trustees and the Director are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Museums and Galleries Act.

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the Tate Gallery's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.
- conclude on the appropriateness of the Tate Gallery's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast doubt on the group's or Tate Gallery's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Tate Gallery to cease to continue as a going concern.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Other information

The Trustees and Director are responsible for the other information. The other information comprises information included in the Annual Report, Foreword and Remuneration Report ('the Annual Report'). My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the part of Remuneration Report to be audited have been properly prepared in accordance with Secretary of State directions made under the Museums and Galleries Act 1992;
- in the light of the knowledge and understanding of the group and the parent and its environment obtained in the course of the audit, I have not identified any material misstatements in the Annual Report; and
- the information given in the Annual Report which I provide a positive consistency opinion on for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

19 October 2020

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)
For the year ended 31 March 2020

Note	INCOME AND EXPENDITURE			CAPITAL			COLLECTIONS			TOTAL				2018-19 Total funds £000
	2019-20 Unrestric ted funds £000	2019-20 Restrict ed funds £000	2019-20 Total funds £000	2019-20 Unrestric ted funds £000	2019-20 Restrict ed funds £000	2019-20 Total funds £000	2019-20 Unrestric ted funds £000	2019-20 Restrict ed funds £000	2019-20 Total funds £000	2019-20 Unrestric ted funds £000	2019-20 Restrict ed funds £000	2019-20 Endowm ent funds £000	2019-20 Total funds £000	
	Income and endowments from:													
	<i>Donations and legacies</i>													
	- Grant in Aid	-	36,668	4,540	-	4,540	-	-	-	41,208	-	-	41,208	37,566
	- Donated works of art	-	-	-	-	-	-	13,250	13,250	-	13,250	-	13,250	10,805
	- Other donations and legacies	21,705	8,165	29,870	-	57	-	4,389	4,389	21,705	12,611	-	34,316	32,058
	<i>Charitable activities</i>	19,242	(2)	19,240	-	-	-	-	-	19,242	(2)	-	19,240	16,502
	<i>Other trading activities</i>													
	- Trading income	37,924	-	37,924	283	-	283	1,328	-	1,328	39,535	-	39,535	39,338
	- Other trading activities	6,758	-	6,758	-	-	-	-	-	6,758	-	-	6,758	5,172
	<i>Investments</i>	108	9	117	-	-	-	438	438	108	447	-	555	525
	<i>Other</i>	148	-	148	-	-	-	-	-	148	-	-	148	37
	Total	122,553	8,172	130,725	4,823	57	4,880	1,328	18,077	19,405	128,704	26,306	155,010	142,003
	Expenditure on:													
	<i>Raising funds</i>													
	Costs of raising donations and legacies	3,023	545	3,568	63	1	64	-	-	3,086	546	-	3,632	3,637
	Fundraising trading: cost of goods sold and other costs													
	- Trading costs	35,098	-	35,098	331	-	331	-	-	35,429	-	-	35,429	34,580
	- Other costs of raising funds	9,331	232	9,563	89	1	90	-	-	9,420	233	-	9,653	8,771
	Investment management costs	29	1	30	-	-	-	68	68	29	69	-	98	87
	<i>Charitable activities</i>	74,347	7,452	81,799	5,173	18,464	23,637	-	-	79,520	25,916	-	105,436	104,403
	<i>Other</i>	227	-	227	-	-	-	-	-	227	-	-	227	37
	Total	122,055	8,230	130,285	5,656	18,466	24,122	-	68	68	127,711	26,764	154,475	151,515
	Net (losses)/gains on investments	-	(4)	(4)	-	-	-	-	(65)	(65)	-	(69)	(1,318)	749
	Net income/(expenditure)	498	(62)	436	(833)	(18,409)	(19,242)	1,328	17,944	19,272	993	(527)	(1,318)	(8,763)
	Transfers between funds	-	-	-	-	-	-	-	-	-	-	-	-	-
	Other recognised gains/(losses):													
	(Loss)/gain on revaluation of fixed assets	-	-	-	842	(22,825)	(21,983)	-	-	-	842	(22,825)	-	(21,983)
	Net movement in funds	498	(62)	436	9	(41,234)	(41,225)	1,328	17,944	19,272	1,835	(23,352)	(1,318)	(22,835)
	Reconciliation of funds:													
	Funds brought forward at 1 April 2019	20,063	358	20,421	37,553	1,139,149	1,176,702	22,136	464,846	486,982	79,752	1,604,353	14,091	1,633,877
	Funds carried forward at 31 March 2020	20,561	296	20,857	37,562	1,097,915	1,135,477	23,464	482,790	506,254	81,587	1,581,001	12,773	1,698,196
	Reconciliation of funds:													
	Funds brought forward at 1 April 2018	17,475	371	17,846	36,384	1,097,683	1,134,067	21,034	447,508	468,542	74,893	1,545,562	13,422	1,622,379
	Net movement in funds	2,588	(13)	2,575	1,169	41,466	42,635	1,102	17,338	18,440	4,859	58,791	669	64,319
	Funds carried forward at 31 March 2019	20,063	358	20,421	37,553	1,139,149	1,176,702	22,136	464,846	486,982	79,752	1,604,353	14,091	1,633,877

All operations of Tate continued throughout both periods and no operations were acquired or discontinued in either period. There are no recognised gains or losses other than those shown above.

To provide better understanding of the accounts, Tate provides enhanced statement of financial activities disclosure beyond the requirements of the SORP.

CONSOLIDATED AND TATE BALANCE SHEETS AT 31 MARCH 2020

		Group		Tate	
	Notes	2020 £000	2019 £000	2020 £000	2019 £000
Fixed assets					
Tangible assets	9	1,135,476	1,176,702	1,134,373	1,175,551
Heritage assets	10	503,671	485,272	503,671	485,272
Investments	6	14,226	15,235	16,721	17,730
		1,653,373	1,677,209	1,654,765	1,678,553
Current assets					
Stocks	11	4,746	4,292	-	-
Debtors and prepayments	12	18,421	15,905	22,952	21,427
Cash and liquid resources	13	22,883	22,841	13,710	13,968
		46,050	43,038	36,662	35,395
Creditors: amounts falling due within one year	14	(23,334)	(21,164)	(18,317)	(15,286)
Net current assets		22,716	21,874	18,345	20,109
Total assets less current liabilities		1,676,089	1,699,083	1,673,110	1,698,662
Creditors: amounts falling due after more than one year	14	(728)	(887)	(728)	(887)
Total assets less liabilities		1,675,361	1,698,196	1,672,382	1,697,775
Represented by:					
Restricted income reserves	16	1,581,001	1,604,353	1,581,001	1,604,351
Unrestricted reserves					
Designated	16	61,026	59,689	59,923	58,538
General	16	20,561	20,063	18,685	20,795
Total funds		1,662,588	1,684,105	1,659,609	1,683,684
Endowments	16	12,773	14,091	12,773	14,091
Total funds		1,675,361	1,698,196	1,672,382	1,697,775

The financial statements on pages 49 to 73 were approved by the Trustees on:

Signed

Maria Balshaw
Director, Tate

14 October 2020

Signed

Lionel Barber
Chairman, Tate

14 October 2020

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

	<i>Notes</i>	2020	2019
		£000	£000
Cash flows from operating activities:			
<i>Net cash provided by operating activities</i>	<i>18(i)</i>	7,658	7,865
Cash flows from investing activities:			
Dividends and interest		555	525
Purchase of property, plant and equipment		(7,793)	(10,363)
Proceeds from sale of investments		1,823	2,720
Purchase of investments		(2,201)	(2,841)
<i>Net cash used in investing activities</i>		(7,616)	(9,959)
<i>Change in cash and cash equivalents in the reporting period</i>		42	(2,094)
<i>Cash and cash equivalents at the beginning of the reporting period</i>		22,841	24,935
<i>Cash and cash equivalents at the end of the reporting period</i>		22,883	22,841

NOTES TO THE ACCOUNTS

1. Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention as modified for the revaluation of certain fixed assets and the inclusion of investments at market value. The accounts comply with the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice (the SORP) FRS102 (updated for reporting from 2019), applicable accounting standards under UK GAAP and the Government Financial Reporting Manual (the FReM).

The accounts have been prepared in accordance with the accounts direction given by the Secretary of State for Digital, Culture, Media and Sport, with the approval of Treasury. The particular policies adopted by Tate are described below; they have been applied consistently in dealing with items that are considered material in the accounts.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved Tate following Accounting and Reporting by Charities in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 in preparing its accounts, rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Tate is a public benefit entity.

Basis of consolidation

Tate's financial statements consolidate the results of Tate and its wholly-owned subsidiaries Tate Enterprises Limited (company number 3173975), Tate Exhibitions Productions Limited (company number 3179938) and Tate Gallery Projects Limited (company number 3166910). A separate statement of financial activities or income and expenditure account for Tate is not presented due to a direction from the Secretary of State (DCMS).

Going concern basis

The accounts have been prepared on the going concern basis. Due to Tate's legal status under the Museums and Galleries Act 1992, there are no material uncertainties which may create significant doubt over Tate's ability to continue as a going concern.

The anticipated income from government grant – including any additional funding approved following demonstration of need as a result of the effects of the Coronavirus pandemic – and self-generated income will be sufficient to meet Tate's ongoing expenses. A revised budget was prepared and approved for 2020-21 in response to the closure of the galleries, with a revised and reduced exhibition programme and operational cost savings identified and implemented. The revised budget also included utilisation of the Government's Job Retention Scheme and Tate's own reserves.

Key judgements and estimates

The areas where significant estimates have been made are listed below:

- For Tate, provisions are made against debts older than six months, except for debts with related charities.
- For Tate Enterprises, provisions are made against debts where debtors enter into insolvency proceedings or where debts are older than one year and all efforts to recover them have been exhausted.
- For Tate Enterprises, stock is reviewed at least biannually and is written off when no alternative selling options exist.
- As the staff holiday year is not coterminous with the financial year, holiday paid is accrued at year end.

- A full revaluation of the Trustees' property holding is undertaken on a quinquennial basis, with desktop valuations undertaken in the intervening years. Further details of this are included on page 51 and in note 9.

Income and endowments

Income and endowments are shown net of Value Added Tax. In general, income is accounted for on a receivable basis. The following accounting policies are applied to income:

Donations and legacies:

Grant in Aid from DCMS is recognised on receipt. Donated works of art are recognised as income based on the value at the date of acceptance. Donations of works of art are normally valued by Tate curators who are experts in their fields, with external validation when required. Donation income, including lottery and grant income, is recognised as income when the conditions for its receipt have been met. Receipt of a legacy will be recognised when there has been grant of probate; the executors have established that there are sufficient assets in the estate; that any conditions attached to the legacy are within the control of Tate or have been met; and it is possible to estimate with sufficient accuracy the amount receivable. Where a payment is received from an estate or is notified as receivable by the executors after the reporting date and before the accounts are authorised for issue, but it is clear that the payment had been agreed by the executors prior to the end of the reporting period, then it is treated as an adjusting event and accrued as income if receipt is probable.

Other trading activities:

Sponsorship income is recognised as income when the conditions for its receipt have been met and when the sponsored activity has taken place. Sponsorship also includes gifts in kind (barter) income relating to advertising services, with an equivalent amount recognised as an expense. The fair value is recognised as the amount that the charity would pay on the open market for an alternative item that would provide an equivalent benefit to Tate.

Investments:

Dividend and interest income is recognised on a receivable basis.

Charitable activities:

Admissions and other charitable income is recognised on a receivable basis on the date of the event.

Deferred income:

Income relating to the future provision of services is deferred until the services are provided and entitlement to the income is earned. This includes admissions income from exhibition tickets where the provision is based on the date the visit to the exhibition occurs.

Expenditure

All expenditure is accounted for on an accruals basis and is classified on the following bases:

Costs of raising donations and legacies:

Comprises the costs associated with raising donations and legacies, trading income and income raised from other activities.

Charitable activities:

Comprises the costs associated with the performance of: gallery activities (all those costs associated with the public programmes of the four Tate galleries and of the media programmes and website, including exhibitions, education and communications and marketing expenditure); gallery operations (visitor services and operations costs); and the costs of maintaining the Collection (including conservation, art handling, photography and acquisitions-related expenditure).

Support costs:

Comprises the costs of governance costs (including relevant legal and finance staff, as well as audit fees), finance, human resources, information technology, estates and facilities and general administration and support. These costs are allocated to the various categories of expenditure based on the most appropriate method for each support department, as described in note 8.

The Collection

Additions to the Collection acquired since 1 April 2001 are capitalised and recognised in the balance sheet, at the cost or value of the acquisition. Purchased works are capitalised and recognised in the year they are paid; donated works of art are capitalised and recognised in the year they are accessioned. Such items are not depreciated or revalued as a matter of routine as the assets are deemed to have indeterminable lives. Expenditure to conserve the works is included under charitable activities in the statement of financial activities. Where works of art are included at valuation, external valuations are used where available; more usually assets are valued internally by Tate staff. 16.0% of the Collection (75,425 works, excluding library and archive items) is recognised at a value on the balance sheet. For the remaining 84.0%, the appropriate and relevant valuation information is not available; the Trustees do not consider that the cost of valuing the remainder of the Collection is commensurate with the benefits to the users of the financial statements.

Fixed assets

The threshold for capitalisation of tangible fixed assets is as follows:

Tate	£10,000
Tate Enterprises Limited	£500

In accordance with Treasury requirements, with the exception of assets in the course of construction and fixtures, fittings and equipment, tangible fixed assets are stated at modified historic cost in the accounts, being revalued annually using relevant indices when no formal revaluation is undertaken. Avison Young, independent property consultants, undertook a full revaluation of the Trustees' property holding at 31 March 2019 and a desktop valuation at 31 March 2020. Revaluation of assets is undertaken on a quinquennial basis with desktop valuations in the intervening years; material variations from historical cost are reflected in the balance sheet value and unrealised gains or losses are disclosed in the statement of financial activities. The cost of land and buildings includes interest and fees paid as a result of financing arrangements for assets in the course of construction. Leasehold improvements are capitalised at cost and depreciated over the life of the building.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation of each asset evenly over its expected life; a full year's depreciation is charged in the year of acquisition. The useful economic lives of the tangible fixed assets are as follows:

Land	- not depreciated
Buildings and leasehold improvements	- 50 to 100 years
Plant and fit-out	- 5 to 15 years
Fixtures, fittings and equipment	- 2 to 10 years

Investments

Investments are stated at market value rather than at historical cost, based on the mid-market price. Any unrealised gains or losses arising from this policy are disclosed in the statement of financial activities.

Stock

Stock is stated at the lower of cost or net realisable value.

Cash and liquid resources

Funds placed on money market deposit for more than one day are defined as liquid resources. Funds held in cash or in current or call accounts are defined as cash.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the year-end. Transactions in foreign currencies are translated at the rate ruling at the time of transaction. All exchange differences go to the statement of financial activities.

Operating leases

Costs in relation to operating leases are charged to the statement of financial activities over the life of the lease.

Pensions

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme, of which Tate is not able to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2012. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservicepensionscheme.org.uk). For more information, please see note 8. Pensions are accounted for as a defined benefit scheme for members of the PCSPS. Since October 2002 a partnership pension account has also been available which is a defined contribution stakeholder pension scheme with a choice of providers.

Fund accounting

Tate maintains general, designated, restricted and endowment funds as set out in note 16.

Taxation

Tate is exempt under section 505 of the Income and Corporation Taxes Act 1988 from taxes on income arising from the pursuit of its charitable objectives. The taxable profits of Tate Enterprises Limited are distributed to Tate and Tate Foundation under Gift Aid rules and no tax liability is expected for the year ended 31 March 2020.

Financial instruments

As required by accounting standards, certain items are classified as financial instruments. Creditors under one year are accounted for at carrying value, as disclosed in note 14. Trade debtors are included at carrying values and all debts over six months old are provided for as doubtful debts. Investments are held at market value, as they are classified as being held at fair value through profit and loss since the funds are actively managed.

Joint arrangements

Where Tate enters into joint arrangements with other organisations to acquire works of art, the value of those works is recognised in the accounts as an acquisition. Tate recognises only its share of the value of the asset in line with the specific arrangement.

2. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)
For the year ended 31 March 2019

		INCOME AND EXPENDITURE			CAPITAL			COLLECTIONS			TOTAL				
		2018-19 Unrestric ted funds £000	2018-19 Restrict ed funds £000	2018-19 Total funds £000	2018-19 Unrestric ted funds £000	2018-19 Restrict ed funds £000	2018-19 Total funds £000	2018-19 Unrestric ted funds £000	2018-19 Restrict ed funds £000	2018-19 Total funds £000	2018-19 Unrestric ted funds £000	2018-19 Restrict ed funds £000	2018-19 Endowm ent funds £000	2018-19 Total funds £000	2017-18 Total funds £000

All operations of Tate continued throughout both periods and no operations were acquired or discontinued in either period. There are no recognised gains or losses other than those shown above.

To provide better understanding of the accounts, Tate provides enhanced statement of financial activities disclosure beyond the requirements of the SORP.

3. Donations and legacies

	2020 £000	2019 £000
Grant in Aid	41,208	37,566
Donated works of art	13,250	10,805
Lottery and other public funding		
Arts and Humanities Research Council	-	64
Arts Council	49	1
Arts Council Lottery	29	-
City of Liverpool	-	37
Department for Culture, Media and Sport	38	-
Her Majesty's Revenue and Customs	1,804	2,072
Heritage Lottery Fund	352	240
Total Lottery and other public funding	2,272	2,414
Donations from associated charities	6,792	4,679
Other donations	25,252	24,965
	88,774	80,429
of which the following is taken to (see page 46)		
Income and expenditure	66,538	60,941
Capital	4,597	2,616
Collections	17,639	16,872
Endowments	-	-

4. Charitable activities

	2020 £000	2019 £000
Admissions	13,195	10,835
Other income from charitable activities	6,045	5,667
	19,240	16,502
of which the following is taken to (see page 46)		
Income and expenditure	19,240	16,502
Capital	-	-
Collections	-	-

5. Other trading activities

	2020 £000	2019 £000
Trading	39,535	39,338
Sponsorship	5,988	4,463
Other activities for raising funds	770	709
	46,293	44,510
of which the following is taken to (see page 46)		
Income and expenditure	44,682	42,685
Capital	283	722
Collections	1,328	1,103

Included in sponsorship income is £971,000 of barter advertising (£450,000 in 2018-19), computed at estimated cost value.

6. Investments

	2020 £000	2019 £000
Bank interest	108	64
Income on quoted investments	447	461
	555	525
of which the following is taken to (see page 46)		
Income and expenditure	117	73
Collections	438	452

Unrealised gains and losses are included in the statement of financial activities.

At 31 March 2020, the investment fund was valued at £14,226,000 (£15,235,000 in 2018-19); historic cost £12,876,000 (£12,472,000 in 2018-19).

	2019 Market value £000	Additions in year £000	Disposals in year £000	Realised and unrealise d gains/(los ses) £000	2020 Market value £000
Investment portfolio:					
UK fixed interest	2,653	37	(686)	(55)	1,949
Non-UK fixed interest	96	-	(84)	(12)	-
UK equities	4,253	611	(439)	(888)	3,537
Non-UK equities	5,035	257	(313)	(438)	4,541
Property	1,463	205	-	(22)	1,646
Alternatives	1,568	721	(301)	28	2,016
Cash	167	370	-	-	537
Group investments total	15,235	2,201	(1,823)	(1,387)	14,226
Subsidiaries' issued share capital (at cost)	2,495	-	-	-	2,495
Tate investments total	17,730	2,201	(1,823)	(1,387)	16,721

All investments are held in order to provide an investment return.

Investments held at 31 March 2020 which individually represent greater than 5% of the investment portfolio:

Ishares Core S&P 500 Ucits Etf USD

7. Net income/(expenditure)

is stated after charging:

	2020 £000	2019 £000
External Auditors' remuneration		
Comptroller and Auditor General	73	58
Subsidiaries – audit	26	27
Subsidiaries – taxation & technical advice	3	7
Taxation advice provided by subsidiaries Auditor		-
Operating lease rentals		
Land and buildings	621	617
Vehicles and equipment	180	174
Depreciation	21,902	21,570
Impairment of fixed assets	-	11,914

No other non-audit services were provided by the Comptroller and Auditor General.

8. Total expenditure

	Staff costs £000	Other direct costs £000	Support costs £000	Depreciation and impairments* £000	2020 Total £000	2019 Total £000
<i>Raising funds</i>						
Costs of raising donations and legacies	1,893	384	1,291	64	3,632	3,637
Fundraising trading: cost of goods sold and other costs						
- Trading costs	13,923	21,176	-	330	35,429	34,580
- Other costs of raising funds	4,823	2,288	2,451	91	9,653	8,771
Investment management costs	-	69	29	-	98	87
<i>Total costs of raising funds</i>	20,639	23,917	3,771	485	48,812	47,075
<i>Charitable activities</i>						
- Gallery activities	17,474	21,987	21,984	20,126	81,571	84,031
- Gallery operations	4,204	5,987	1,979	770	12,940	8,346
- Collections	7,098	1,519	1,787	521	10,925	12,026
<i>Total charitable activities</i>	28,776	29,493	25,750	21,417	105,436	104,403
<i>Other</i>	95	-	132	-	227	37
Total	49,510	53,410	29,653	21,902	154,475	151,515

*Includes any downward impact of asset revaluations, where applicable.

The Chairman and other Trustees received no remuneration; eleven Trustees (ten in 2018-19) received reimbursement of travel and subsistence expenses amounting to £10,108 in 2019-20 (£8,951 in 2018-19).

a) Support cost breakdown by activity

	Governance costs £000	Finance and Legal £000	Human resource s £000	Information systems £000	Estates £000	Other £000	2020 Total £000	2019 Total £000
<i>Raising funds</i>								
Costs of raising donations and legacies	9	86	80	192	890	34	1,291	1,457
Fundraising trading: cost of goods sold and other costs								
- Other costs of raising funds	630	123	113	272	1,265	48	2,451	2,582
Investment management costs	-	29	-	-	-	-	29	22
<i>Total costs of raising funds</i>	639	238	193	464	2,155	82	3,771	4,061
<i>Charitable activities</i>								
- Gallery activities	128	1,176	930	2,607	16,678	465	21,984	21,821
- Gallery operations	32	297	236	658	638	118	1,979	1,625
- Collections	27	250	425	554	432	99	1,787	1,839
<i>Total charitable activities</i>	187	1,723	1,591	3,819	17,748	682	25,750	25,285
<i>Other</i>	-	132	-	-	-	-	132	37
Total	826	2,093	1,784	4,283	19,903	764	29,653	29,383
Basis of allocation	FTE/expenditure	expenditure	average FTE	expenditure	depreciation charge	expenditure		

Support costs include an element of staff costs amounting to £7,103,000 (£7,642,000 in 2018-19).

b) Staff costs

	2020 £000	2019 £000
Wages and salaries	40,770	38,237
Pension costs	7,909	5,704
Social Security costs	3,905	3,608
Redundancy costs	54	403
Total employee costs	52,638	47,952
Agency staff costs	3,975	3,066
	56,613	51,018

In addition, £25,000 of staff costs relating to staff working exclusively on capital projects were capitalised in 2019-20 (£101,000 in 2018-1). The average number of full-time equivalent (FTE) staff directly employed on capital projects was 0.5 in 2019-20 (4 in 2018-19).

The number of Tate employees, including the Director, whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	2020 No.	2019 No.
£60,000 - £64,999	10	8
£65,000 - £69,999	3	3
£70,000 - £74,999	2	3
£75,000 - £79,999	3	3
£80,000 - £84,999	2	6
£85,000 - £89,999	4	1
£90,000 - £94,999	1	-
£95,000 - £99,999	3	3
£100,000 - £104,999	1	1
£105,000 - £109,999	1	-
£110,000 - £114,999	1	-
£125,000 - £129,999	-	1
£130,000 - £134,999	1	-
£180,000 - £184,999	-	1
£185,000 - £189,999	-	1
£195,000 - £199,999	1	-
	33	31

Thirty-three of the thirty-three staff earning more than £60,000 are members of a defined benefit pension scheme (thirty-one of the thirty-one in 2018-19); their total contributions to the scheme amounted to £785,000 during the year (£623,000 in 2018-19).

The average number of full-time equivalent (FTE) staff during the year was 1,422 (1,356 in 2018-19). Included within this total are 16 FTE staff on temporary contracts (17 in 2018-19) and 91 FTE staff on fixed-term contracts (73 in 2018-19).

The breakdown of average FTE staff by occupational group was:

	2020 No.	2019 No.
<i>Costs of raising funds</i>		
Costs of raising donations and legacies	39	41
Fundraising trading: cost of goods sold and other costs		
- Trading	572	557
- Other	125	130
<i>Charitable activities</i>	681	627
<i>Other resources expended</i>	5	1
	1,422	1,356

Exit package cost band	Number of compulsory redundancies	Number of other redundancies agreed	Total number of exit packages by cost band 2020	Total number of exit packages by cost band 2019
<£10,000	3	-	3	3
£10,000 - £25,000	-	-	-	1
£25,000 - £50,000	-	-	-	2
£50,000 - £100,000	-	1	1	2
£100,000 - £150,000	-	-	-	1
Total number of exit packages	3	1	4	9
Total resource cost/£	14,000	60,000	74,000	371,000

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where Tate has agreed early retirements, the additional costs are met by Tate and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or *alpha*, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined *alpha*. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (*classic*, *premium* or *classic plus*) with a normal pension age of 60; and one providing benefits on a whole career basis (*nuvos*) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under *classic*, *premium*, *classic plus*, *nuvos* and *alpha* are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into *alpha* sometime between 1 June 2015 and 1 February 2022. All members who switch to *alpha* have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave *alpha*. (The pension figures quoted for officials show pension earned in PCSPS or *alpha* – as appropriate. Where the official has benefits in both the PCSPS and *alpha* the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of *classic*, *premium*, *classic plus*, *nuvos* and *alpha*. Benefits in *classic* accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For *premium*, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike *classic*, there is no automatic lump sum. *classic plus* is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per *classic* and benefits for service from October 2002 worked out as in *premium*. In *nuvos* members build up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in *alpha* build up in a similar way to *nuvos*, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

For 2019-20, employers' contributions of £6,873,000 were payable to the PCSPS (2018-19 £4,884,000) at one of four rates in the range of 26.6% to 30.3% of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2019-20 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employers' contributions of £182,000 (2018-19 £138,000) were paid to one or more of a panel of three appointed stakeholder pension providers. In addition, employer contributions of £138,000 (£123,000 in 2018-19), 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. There were no contributions due to the partnership pension providers at the balance sheet date. There were no contributions prepaid at that date.

No employees retired early on ill-health grounds (none in 2018-19); the total additional accrued pension liabilities to PCSPS in the year amounted to £nil (£nil in 2018-19).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of *classic*, *premium* and *classic plus*, 65 for members of *nuvos*, and the higher of 65 or State Pension Age for members of *alpha*.

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk.

Tate Enterprises Limited operates a money purchase pension scheme provided by Scottish Widows. The assets of the schemes are held separately from those of the group in an independently administered fund. The amounts charged against profit represent the contributions payable to the schemes in respect of the accounting period. Pension contributions of £716,000 were made in the year (2018-19 £559,000).

9. Tangible assets

Group	Land £000	Freehold buildings £000	Leasehol d improvm ents £000	Plant and fit-out £000	Fixture, fittings and equipmen t £000	Total tangible assets £000
Value at 1 April 2019	504,037	419,535	13,028	240,649	15,286	1,192,535
Additions at cost	-	34	-	1,371	1,254	2,659
Transfer of assets	-	-	-	-	-	-
Valuation of assets	(28,500)	(4,534)	117	(9,180)	-	(42,097)
Disposals	-	-	-	-	(42)	(42)
Value at 31 March 2020	475,537	415,035	13,145	232,840	16,498	1,153,055
Depreciation at 1 April 2019	-	97	287	2,856	12,593	15,833
Charge for the year	-	4,275	146	16,147	1,334	21,902
Valuation of assets	-	(4,260)	(102)	(15,752)	-	(20,114)
Disposals	-	-	-	-	(42)	(42)
Depreciation at 31 March 2020	-	112	331	3,251	13,885	17,579
Net book value at 31 March 2020	475,537	414,923	12,814	229,589	2,613	1,135,476
Net book value at 1 April 2019	504,037	419,438	12,741	237,793	2,693	1,176,702
Historic cost NBV at 31 March 2020	98,487	269,885	12,279	100,709	2,613	483,973

Tate	Land £000	Freehold buildings £000	Leasehol d improvm ents £000	Plant and fit-out £000	Fixture, fittings and equipmen t £000	Total tangible assets £000
Value at 1 April 2019	504,037	419,373	13,028	240,649	10,992	1,188,079
Additions at cost	-	34	-	1,371	971	2,376
Transfer of assets	-	-	-	-	-	-
Valuation of assets	(28,500)	(4,534)	117	(9,180)	-	(42,097)
Disposals	-	-	-	-	(37)	(37)
Value at 31 March 2019	475,537	414,873	13,145	232,840	11,926	1,148,321
Depreciation at 1 April 2019	-	-	287	2,856	9,385	12,528
Charge for the year	-	4,260	146	16,147	1,018	21,571
Valuation of assets	-	(4,260)	(102)	(15,752)	-	(20,114)
Disposals	-	-	-	-	(37)	(37)
Depreciation at 31 March 2020	-	-	331	3,251	10,366	13,948
Net book value at 31 March 2020	475,537	414,873	12,814	229,589	1,560	1,134,373
Net book value at 1 April 2019	504,037	419,373	12,741	237,793	1,607	1,175,551
Historic cost NBV at 31 March 2020	98,487	269,835	12,279	100,709	1,560	482,870

In accordance with Treasury requirements, with the exception of assets in the course of construction and fixtures, fittings and equipment, tangible fixed assets are stated at modified historic cost in the accounts. Specialised property is valued at depreciated replacement cost and non-specialised property at market value for existing use. Where no formal revaluation is undertaken, buildings, plant

and fit-out and the buildings and plant element of long leasehold assets have been revalued using indices provided by the Department for Business, Energy and Industrial Strategy.

A formal revaluation of the Trustees' property holdings was undertaken at 31 March 2019 by Avison Young, independent property consultants. Certain estimates and judgements were updated in the prior year as a result of a change in valuer, the most significant of which was the split of the asset value between components. This resulted in a transfer of assets in 2018-19 of £141,463,000 to freehold buildings from plant and fit-out and reflected a change in the apportionment of the valuation between the respective asset classes rather than an underlying change in the value of these assets.

A desktop revaluation for the 2019-20 accounts was undertaken in accordance with HM Government Financial Reporting Manual (FReM) Guidance, International Valuation Standards (IVS) and the requirements of the RICS Valuation – Global Standards 2020 (the Red Book). The Coronavirus pandemic has impacted global financial markets and as at the valuation date (31 March 2020), less weight can be attached to previous market evidence for comparison purposes to inform opinions of value. The valuations are therefore reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Valuation – Global Standards effective from 31 January 2020. Consequently, less certainty – and a higher degree of caution – should be attached to the valuation than would normally be the case. Given the unknown future impact that Coronavirus might have on the real estate market, the valuation will be kept under review.

Where no full revaluation is undertaken, buildings, plant and fit-out and the buildings and plant element of long leasehold assets have been revalued via a desktop valuation using indices provided by the Department for Business, Energy and Industrial Strategy. Had these not been revalued, the historic cost net book value at 31 March 2020 would have been: £98,487,000 for land £269,885,000 for freehold buildings, £12,279,000 for leasehold improvements and £100,709,000 for plant and fit-out. The financial effect of revaluing fixtures, fittings and equipment was considered to be immaterial and therefore they have been disclosed at their historical cost value.

The net book value at 31 March 2020 represents fixed assets for:

Group	Land £000	Freehold buildings £000	Leasehold improvements £000	Plant and fit- out £000	Fixture, fittings and equipment £000	Total tangible assets £000
Charitable activities	475,537	414,873	12,814	229,589	1,560	1,134,373
Other activities		50			1,053	1,103
	475,537	414,923	12,814	229,589	2,613	1,135,476

Tate's fixed assets are held to support charitable activities.

10. Heritage assets

Group and Tate	Value at 1 April 2019 £000	Additions £000	Value at 31 March 2020 £000
<i>Cost</i>			
Installations	19,661	1,031	20,692
Paintings	64,366	1,478	65,844
Reliefs	2,389	76	2,465
Sculptures	23,634	1,849	25,483
Works on paper	21,726	810	22,536
Time-based media	2,131	353	2,484
Archives	6,001	131	6,132
Other	342	-	342
ARTIST ROOMS	20,660	-	20,660
<i>Valuation</i>			
Installations	14,940	960	15,900
Paintings	183,705	6,332	190,037
Reliefs	2,224	424	2,648
Sculptures	39,410	1,842	41,252
Works on paper	24,734	1,340	26,074
Time-based media	2,319	543	2,862
Archives	6,779	498	7,277
Other	287	-	287
ARTIST ROOMS	49,405	-	49,405
The Qantas Foundation	559	732	1,291
Total	485,272	18,399	503,671

In the year 505 works of art and archives were added to the Collection of which 202 are included at cost price and 303 (including 19 part-purchased ARTIST ROOMS works) have been valued.

Five-year financial summary of heritage asset transactions

	2019-20 £000	2018-19 £000	2017-18 £000	2016-17 £000	2015-16 £000
<i>Cost</i>					
Installations	1,031	2,285	239	930	1,315
Paintings	1,478	1,846	724	2,896	1,064
Reliefs	76	51	811	60	-
Sculptures	1,849	1,935	1,081	970	2,340
Works on paper	810	1,154	671	868	2,387
Time-based media	353	113	400	666	639
Archives	131	35	2,534	46	68
ARTIST ROOMS	-	-	-	7	20
<i>Valuation</i>					
Installations	960	1,417	748	1,949	1,530
Paintings	6,332	3,344	6,978	10,337	3,131
Reliefs	424	467	991	43	45
Sculptures	1,842	2,339	4,012	1,113	241
Works on paper	1,340	1,500	1,957	6,244	1,281
Time-based media	543	894	17	1,088	126
Archives	498	115	330	-	220
Other	-	-	-	-	3
ARTIST ROOMS	-	218	883	221	60
The Qantas Foundation	732	408	151	-	-
Total additions	18,399	18,121	22,527	27,438	14,470

Further information on Tate's Collection

Tate holds the National Collection of British art from 1500 and international modern and contemporary art from 1900. Tate's Collection embraces all media from painting, drawing, sculpture and prints, to photography, video and film, installation and performance. The Collection is displayed at Tate Britain, Tate Modern, Tate Liverpool and Tate St Ives and through loans to temporary national and international exhibitions and long loans. Tate rotates its displays at all sites, partly with the aim of giving exposure to as much of the Collection as possible. Works on paper can be viewed by appointment in the Prints and Drawings Rooms at Tate Britain, which also houses the Turner Bequest. Tate also houses the National Archive of British Art from 1900, Tate's institutional records including material relating to the Collection and the Tate Library. The Tate Archive contains manuscripts, notebooks, sketches, prints, documentation and supporting material. The Archive and Library are accessible through the Tate Library and Archive Collections: Hyman Kreitman Reading Rooms at Tate Britain.

Tate's Collection seeks to represent significant developments in art in all areas covered by its remit with artworks of outstanding quality and importance. The representation of British art encompasses work by artists defined by their contribution to its history and development rather than simply by nationality. While it has traditionally focused on art from Western Europe and North America, Tate seeks to represent international modern and contemporary art from a global perspective and has recently expanded its holdings of work from Latin America, South-East Asia and Eastern Europe. When the Tate Gallery opened in 1897, its Collection consisted of the 65 works gifted by Henry Tate to the nation. The Collection currently consists of 75,425 works of art. Every work in the Collection has its own online information page and the majority are illustrated, though this is not always possible due to copyright restrictions. Further information on the Collection may be found in the foreword on page 9.

More information is available on Tate's website, www.tate.org.uk. The Collection is under the care of the Collection Care department, details of which can be found at www.tate.org.uk/about/our-work/conservation and the acquisitions and disposals and loans policy can be found at www.tate.org.uk/about/our-work/collection.

11. Subsidiaries

The Board of Trustees of the Tate Gallery owns the whole of the issued share capital of Tate Enterprises Limited (comprising 2,495,320 ordinary shares of £1 each), Tate Exhibition Productions Limited (comprising 100 ordinary shares of £1 each) and Tate Gallery Projects Limited (comprising 100 ordinary shares of £1 each).

Tate Enterprises Limited

Tate Enterprises Limited's principal activities comprise the management and operation of restaurant, café and ancillary services for the benefit of visitors to Tate's galleries, the publishing and sale of books and other products and merchandise associated with the Collection and Tate activities and the provision of consultancy, events, corporate memberships, education and some media services at all Tate sites.

The figures below are taken from the Tate Enterprises Limited accounts.

	2020	2019
	£000	£000
Fixed assets	1,103	1,151
Current assets	15,506	15,723
Current liabilities	(13,684)	(13,959)
Long-term liabilities	-	-
Net assets	2,925	2,915
Capital and reserves	2,925	2,915
	2,925	2,915

Current assets include stock of £4,746,000 comprising: work in progress £322,000; finished goods and goods for resale £4,424,000 (£4,292,000, comprising: work in progress £329,000; finished goods and goods for resale £3,963,000 in 2018-19).

	2020	2019
	£000	£000
Turnover	41,960	41,590
Cost of sales	(14,982)	(14,134)
Gross profit	26,978	27,456
Other income	-	-
Administrative expenses	(21,956)	(21,397)
Trading profit	5,022	6,059
Interest receivable	40	13
Net contribution	5,062	6,072

The net contribution consists of £764,000 from publishing and retail operations (£1,347,000 in 2018-19), £1,029,000 from catering operations (£1,587,000 in 2018-19) and £3,269,000 from events, education and media services (£3,138,000 in 2018-19). Turnover includes £2,285,000 of sales to Tate (£2,095,000 in 2018-19). Administrative expenses include £2,717,000 of expenditure recharged by Tate (£2,454,000 in 2018-19).

The taxable profits of Tate Enterprises Limited are distributed to the Board of Trustees of the Tate Gallery and Tate Foundation under Gift Aid rules each year.

Tate Exhibition Productions Limited

Tate Exhibition Productions Limited is a wholly-owned subsidiary of the Board of Trustees of the Tate Gallery. Tate Exhibition Productions Limited changed its name during the year from Tate Gallery Publishing Limited and is a dormant company.

12. Debtors and prepayments

	Group		Tate	
	2020	2019	2020	2019
	£000	£000	£000	£000
Trade debtors	6,605	6,930	5,214	5,404
Amounts due from group companies	-	-	6,417	7,421
Other debtors	2,258	1,769	1,873	1,588
Prepayments and accrued income	9,558	7,206	9,448	7,014
	18,421	15,905	22,952	21,427

13. Cash and liquid resources

	Group		Tate	
	2020	2019	2020	2019
	£000	£000	£000	£000
held at/in:				
Government Banking Service	4,312	1,280	4,312	1,280
Interest-bearing accounts	18,350	20,116	9,334	12,626
Cash and non-interest-bearing accounts	221	1,445	64	62
	22,883	22,841	13,710	13,968

Reconciliation to liquid resources (see note 18(ii))

	2020	2019
	£000	£000
Interest-bearing accounts	18,350	20,116
Less: funds held in interest-bearing current or call accounts	-	-
Liquid resources (funds held on deposit)	18,350	20,116

14. Creditors: amounts falling due within one year

	Group		Tate	
	2020	2019	2020	2019
	£000	£000	£000	£000
Trade creditors	4,244	4,432	3,907	2,727
Amounts due to group companies	-	-	1,064	660
Taxation and social security	1,525	2,137	736	688
Other creditors	2,262	1,367	1,890	1,093
Accruals	10,300	8,649	6,648	5,854
Deferred income	5,003	4,579	4,072	4,264
	23,334	21,164	18,317	15,286

Creditors: amounts falling due after more than one year

	Group		Tate	
	2020	2019	2020	2019
	£000	£000	£000	£000
Other creditors	109	109	109	109
Deferred income	619	778	619	778
	728	887	728	887

Deferred income

	Group		Tate	
	2020	2019	2020	2019
	£000	£000	£000	£000
Deferred income brought forward	5,357	4,342	5,042	3,993
Released in year	(4,266)	(3,050)	(3,694)	(2,701)
Deferred in year	4,531	4,065	3,343	3,750
Deferred income carried forward	5,622	5,357	4,691	5,042

Income relating to the future provision of services is deferred until the services are provided and entitlement to the income is earned.

15. Operating leases

At 31 March 2020 Tate had annual commitments under non-cancellable leases as follows:

Group	Land and buildings £000	Other £000	2020 £000	2019 £000
Operating leases expiring within				
One year	619	164	783	785
Two to five years	1,847	75	1,922	2,073
More than five years	2,143	-	2,143	2,594
	<u>4,609</u>	<u>239</u>	<u>4,848</u>	<u>5,452</u>
 Tate	 Land and buildings £000	 Other £000	 2020 £000	 2019 £000
Operating leases expiring within				
One year	487	98	585	578
Two to five years	1,807	8	1,815	1,815
More than five years	2,143	-	2,143	2,594
	<u>4,437</u>	<u>106</u>	<u>4,543</u>	<u>4,987</u>

16. Statement of funds

Group	Opening Funds £000	Transfer s £000	Income £000	Expenditur e £000	Gain/(loss) on revaluatio n £000	Gain/(loss) on investmen t £000	Closing funds £000
Unrestricted							
<i>Designated</i>							
Works of art	22,136	-	1,328	-	-	-	23,464
Buildings and equipment	37,553	-	4,823	(5,656)	842	-	37,562
	59,689	-	6,151	(5,656)	842	-	61,026
<i>General funds</i>	20,063	-	122,553	(122,055)	-	-	20,561
Total unrestricted funds	79,752	-	128,704	(127,711)	842	-	81,587
Restricted							
Buildings and equipment	455,355	-	57	(18,466)	9,466	-	446,412
Revaluation reserve	683,794	-	-	-	(32,291)	-	651,503
Works of art	463,684	-	17,635	-	-	-	481,319
Acquisition trust funds	1,162	-	441	(68)	-	(65)	1,471
Other funds	358	-	8,172	(8,230)	-	(4)	296
	1,604,353	-	26,306	(26,764)	(22,825)	(69)	1,581,001
Endowments	14,091	-	-	-	-	(1,318)	12,773
Total funds	1,698,196	-	155,010	(154,475)	(21,983)	(1,387)	1,675,361
Tate							
	Opening Funds £000	Transfer s £000	Income £000	Expenditur e £000	Gain on revaluatio n £000	Gain on investmen t £000	Closing funds £000
Unrestricted							
<i>Designated</i>							
Works of art	22,136	-	1,328	-	-	-	23,464
Buildings and equipment	36,402	-	4,540	(5,325)	842	-	36,459
	58,538	-	5,868	(5,325)	842	-	59,923
<i>General funds</i>	20,795	-	88,582	(90,692)	-	-	18,865
Total unrestricted funds	79,333	-	94,450	(96,017)	842	-	78,608
Restricted							
Buildings and equipment	455,355	-	57	(18,467)	9,466	-	446,411
Revaluation reserve	683,794	-	-	-	(32,291)	-	651,503
Works of art	463,684	-	17,635	-	-	-	481,319
Acquisition trust funds	1,162	-	442	(68)	-	(65)	1,471
Other funds	356	-	8,174	(8,229)	-	(4)	297
	1,604,351	-	26,308	(26,764)	(22,825)	(69)	1,581,001
Endowments	14,091	-	-	-	-	(1,318)	12,773
Total funds	1,697,775	-	120,758	(122,781)	(21,983)	(1,387)	1,672,382

Fair value reserve (investments) – movements

	As at 1 April 2019 £000	Unrealised gains under fair value £000	Realised gains under fair value £000	As at 31 March 2020 £000	Reserve fund net of FV at 31 March £000	Reserve fund incl. FV at 31 March £000
Restricted						
Acquisition trust funds	202	(61)	(6)	135	1,287	1,422
Other funds	10	(4)	-	6	54	60
	<u>212</u>	<u>(65)</u>	<u>(6)</u>	<u>141</u>	<u>1,341</u>	<u>1,482</u>
Endowments	2,551	(1,264)	(78)	1,209	11,535	12,744
Total funds	<u>2,763</u>	<u>(1,329)</u>	<u>(84)</u>	<u>1,350</u>	<u>12,876</u>	<u>14,226</u>

The accounts comprise a number of individual funds that divide into distinct categories, which are defined below.

Designated funds

Funds designated for a particular use by the Trustees.

Designated funds and the purpose for which their income may be applied are:

- *Works of art* – funds applied towards the purchase of works of art for the Collection;
- *Buildings and equipment* – funds applied towards the purchase of equipment and building works.

General funds

Funds available for general use.

Restricted funds

Funds restricted for particular purposes either by the wishes of the donor or by the nature of the fundraising appeal.

Restricted funds and the purpose for which their income may be applied are:

- *Buildings and equipment* – the value of Tate's estate vested in the Board of Trustees by the Secretary of State for the Environment and adjusted for subsequent valuations and disposals; also, restricted funds, including money from lottery and other public sources, raised specifically for and applied to the purchase of equipment and building works;
- *Revaluation reserve* – the reserve arising from the revaluation and the indexation of historical asset values to arrive at a modified historical cost. The reserve applies to both restricted and unrestricted assets, but all of the reserve is restricted;
- *Works of art* – restricted funds, including money from the Heritage Lottery Fund, raised specifically for and applied to the purchase of works of art together with all donated works of art since 1 April 2001;
- *Acquisition trust funds* – a number of restricted trust funds for the purchase of works of art for the Collection, including:
 - *Knapping Fund* – for the purchase for exhibition in England, Scotland and Wales of paintings in any medium, or sculpture, by artists of any nationality living at or within twenty-five years of the time of purchase;
 - *Gytha Trust* – for purchases for the Collection;
 - The expendable elements of the *ARTIST ROOMS*, *Abbott Bequest*, *Evelyn*, *Lady Downshire's Fund* and *Themans Trust* endowments;
- *Other restricted funds*:
 - The expendable element of the *Shenkman Fund* and *Porter Kreitman Artists Book Fund* endowments;

- Canada Fund and Tate Gallery Projects Limited;
- Other funds which were set up and utilised during the year as a result of donations received for specific purposes.

Endowment funds

Endowment funds are funds that the donor has stated are to be held as capital.

The endowment funds and the purpose for which their income may be applied are:

- *ARTIST ROOMS Fund* – for the purchase of works of art for the *ARTIST ROOMS* collection;
- *Abbott Bequest* – for the purchase of pictures and drawings by DG Rosetti or his contemporaries. The capital element of this endowment remains permanently intact and only the income can be spent;
- *Evelyn, Lady Downshire's Fund* – permanent endowment for the purchase of modern paintings. The capital element of this endowment remains permanently intact and only the income can be spent;
- *Shenkman Fund* – to pay for commissions of works of art at Tate Modern Restaurant. The capital element of this endowment remains permanently intact and only the income can be spent;
- *Themans Trust* – permanent endowment for the purchase of paintings. The capital element of this endowment remains permanently intact and only the income can be spent;
- *Porter Kreitman Artists Book Fund* – permanent endowment for the purchase of artists' books. The capital element of this endowment remains permanently intact and only the income can be spent.

17. Analysis of net assets between funds

Funds balances at 31 March 2020 are represented by:

Group	Unrestricted designated funds £000	Unrestricted general funds £000	Restricted funds £000	Endowment funds £000	Total 2020 £000	Total 2019 £000
Tangible assets	37,562	-	1,097,914	-	1,135,476	1,176,702
Heritage assets	23,464	-	480,207	-	503,671	485,272
Investments	-	-	1,482	12,744	14,226	15,235
Net current assets	-	21,289	1,398	29	22,716	21,874
Long term creditors	-	(728)	-	-	(728)	(887)
Total net assets	61,026	20,561	1,581,001	12,773	1,675,361	1,698,196

Tate	Unrestricted designated funds £000	Unrestricted general funds £000	Restricted funds £000	Endowment funds £000	Total 2020 £000	Total 2019 £000
Tangible assets	36,459	-	1,097,914	-	1,134,373	1,175,551
Heritage assets	23,464	-	480,207	-	503,671	485,272
Investments	-	2,495	1,482	12,744	16,721	17,730
Net current assets	-	16,918	1,398	29	18,345	20,109
Long term creditors	-	(728)	-	-	(728)	(887)
Total net assets	59,923	18,685	1,581,001	12,773	1,672,382	1,697,775

18. Cash flow information

(i) Reconciliation of net income to net cash inflow from operating activities

	2020 £000	2019 £000
Net expenditure for the reporting period	(852)	(8,763)
Adjustments for:		
Depreciation charges	21,902	21,570
Losses/(gains) on investments	1,387	(749)
Dividends and interest	(555)	(525)
Impairment of fixed assets	-	11,914
Donations of works of art	(13,250)	(10,805)
Increase in stocks	(454)	(203)
Increase in debtors	(2,516)	(3,560)
Increase/(decrease) in creditors	1,996	(1,014)
Net cash inflow from operating activities	7,658	7,865

(ii) Analysis of cash and cash equivalents

	2020 £000	2019 £000
Cash in hand	4,533	2,725
Notice deposits (less than three months)	18,350	20,116
Total cash and cash equivalents	22,883	22,841

19. Capital commitments

Financial commitments were as follows:

	2020 £000	2019 £000
Acquisition of works of art contracted for, but not provided in the accounts	3,361	4,028

	Works of art £000
Opening commitments at 31 March 2019	4,028
Less paid for during the year	(3,315)
Additional commitments	2,648
Closing commitments at 31 March 2020	3,361

Commitments to acquire works of art are made throughout the year with the timing of payments dependent upon bringing the work into Tate's premises and satisfactory completion of condition checks. Payments for works are normally expected to take place within the following year and will be funded via donations already pledged to the acquisitions as well as further fundraising during the coming months.

20. Contingent liabilities

There are no contingent liabilities.

21. Related party transactions

Tate is an NDPB whose parent department is DCMS. DCMS is regarded as a related party. During the year, Tate had a number of transactions in the normal course of business and at full arm's length with DCMS.

The National Gallery and Tate Boards have an agreement, reached in 1997 and renewed in 2002 and 2009, that the dividing line of the National Gallery's and Tate's responsibilities in respect of the scope of their collections of foreign art should be circa 1900. Accordingly a group of works has been lent by Tate to the National Gallery and vice versa.

As well as being Trustees of Tate, Dame Moya Greene DBE and Katrin Henkel are also Trustees of the National Gallery.

Roland Rudd donated £5,000 and Lionel Barber donated £10,650 to Tate during 2019-20. To March 2020, Dame Jayne-Anne Gadhia DBE was Chief Executive Officer of Salesforce UK Limited, to whom Tate paid £244,000 in software licensing fees. To January 2020, Lionel Barber was a director of The Financial Times Limited, to whom Tate paid £1,000 in subscription fees in 2019-20. Dame Moya Greene DBE is a director of Easyjet plc, to whom Tate paid £10,000 in 2019-20. Jane Wilson is on the board of Design and Artists Copyright Society (DACS), to whom Tate paid £69,000 in copyright fees in 2019-20. John Booth is a director of Maintel Europe Limited, to whom Tate paid £43,000 in respect of telephone equipment and licence fees in 2019-20. Michael Lynton is a member of the Smithsonian Board of Regents, to whom Tate paid £2,500 in art transport costs, a member of the Harvard Board of Overseers, to whom Tate paid £1,000 in loan fees, and a director of the Los Angeles County Museum of Art (LACMA), to whom Tate paid £12,000 and from whom Tate received £14,000 in conservation and loan fees in 2019-20. Tim Davie was a Board Member of the Creative Industries Federation to December 2019, to whom Tate paid £5,000 in subscription fees in 2019-20.

Maria Balshaw is a trustee of the Clore Leadership Programme, to whom Tate paid £2,500 in training costs in 2019-20. Frances Morris is a board member of the Fruitmarket Gallery, from whom Tate received £806 in fees in 2019-20.

Maria Balshaw is a director of Tate Foundation. James Timpson OBE, Victoria Cheetham and Stephen Wingfield are directors of Tate Enterprises Limited. Kerstin Mogull was a director of Tate Enterprises Limited until September 2019, and Claire Gylphe-O'Reilly was a director of Tate Enterprises Limited between October 2019 and March 2020.

John Booth is a Tate Patron and paid subscription fees of £1,000 to Tate Foundation, and the John Booth Charitable Foundation made a donation of £11,000 to Tate Foundation for Tate Patrons in 2019-20. James Timpson OBE is a director of Timpson Ltd, which is a member of the Tate Patron programme and paid subscription and donation fees totalling £11,000 in 2019-20.

During the year Tate Foundation made donations to Tate of £4,755,332 (£3,840,551 in 2018-19) and reimbursed Tate for staff costs totalling £573,655 (£440,439 in 2018-19) and support costs totalling £131,764 (£125,923 in 2018-19). At the year end, debtors included £3,401,000 (£1,704,000 in 2018-19) and creditors included £1,124,000 (£13,000 in 2018-19) in respect of Tate Foundation. During the year the American Fund and Americas Foundation made donations to Tate of £2,685,000 (£781,172 in 2018-19). At the year end, debtors included £1,073,000 (£133,000 in 2018-19) and creditors included £396,000 (£nil in 2018-19) in respect of the American Fund. During the year the Canada Foundation made donations to Tate of £nil (£nil in 2018-19).

The details of key management compensation are disclosed in the remuneration report.

22. Financial instruments

As a significant proportion of the cash requirements of the charity are met through Grant in Aid received from DCMS, financial instruments play a more limited role in creating risk than would apply

to a non-public sector body of a similar size. The majority of financial instruments are cash relating to the running of the operation. The charity's main exposure is investments and debtors.

Credit risk

Tate is exposed to a credit risk of £5,442,000 representing trade debtors (£6,131,000 in 2018-19), however the risk is not considered significant as major customers are known to Tate. In Tate, all debtors over six months in age, except for debts with related charities, are provided for as doubtful debts and in Tate Enterprises, all debtors over one year in age are provided for. This totalled £307,000 (£202,000 in 2018-19).

Cash is held by Tate's bankers. The charity has not suffered any loss in relation to cash held by its bankers. See note 13.

Liquidity risk

Tate manages liquidity risk through its reserves policy. Tate does not make use of long-term debt or borrowing facilities. As a result, Tate is not exposed to significant liquidity risks. There are sufficient funds to cover existing current liabilities.

Market risk

Tate is not exposed to significant market risk from financial instruments. Interest and investment income represents 0.36% of the total incoming resources for Tate (0.37% in 2018-19). Tate is therefore not exposed to significant interest or investment risk.

Foreign currency risk

Tate's exposure to foreign currency risk is not significant.

23. Net debt

There is no analysis of change in net debt required as there is no such net debt.

24. Post balance sheet events

The Trustees designated the annual report and accounts for signing by the Accounting Officer on 16 September 2020 and authorised them for issue on the date they were certified by the Comptroller and Auditor General.

Subsequent to the year end, as a result of the impact of Coronavirus pandemic and the measures taken by governments both in the UK and overseas, some of the Group's activities had to cease temporarily due to the closure of the Galleries to the public in mid-March. With the exception of essential security and maintenance staff needed to maintain the collection and estate, staff successfully transitioned to working from home. The Galleries re-opened in late July 2020 and activities have been revised to ensure that they are conducted in line with government guidelines.

The Group's forecasts and budgets have been adjusted accordingly to reflect expected footfall of 30% of usual numbers and the Government's Job Retention Scheme utilised alongside Tate's own reserves. Operational expenditure has also been reduced in all areas. On demonstration of need, Tate will also be eligible to receive additional grant from the government in addition to previously agreed Grant in Aid for 2020-21. A restructure took place within the Tate Enterprises subsidiary due to the effects of the pandemic on the retail and hospitality sector, which resulted in the announcement of redundancies in August 2020. Additional support for Tate Enterprises will be provided by Tate in the form of a loan facility, which was approved by the Trustees on 16 September 2020.

Elsewhere, the most likely impact on the Tate balance sheet of the Coronavirus pandemic is uncertainty over the value of the estate which is not possible to estimate at present. This is not considered to be an adjusting event.

