

National Portrait Gallery Annual Report and Accounts 2024-25

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

Ordered by the House of Commons to be printed 21 July 2025



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ISBN 978-1-5286-5536-1

E03317612 07/25

Printed on paper containing 40% recycled fibre content minimum

Printed in the UK by HH Associates Ltd on behalf of the Controller of His Majesty's Stationery Office

CONTENTS

HISTORY AND BACKGROUND	4
OUR MISSION	5
REVIEW OF ACTIVITIES IN 2024-25	6
DELIVERING ON OUR STRATEGIC OBJECTIVES	8
FUTURE DEVELOPMENTS	21
ADVISERS	33
REMUNERATION REPORT	34
STATEMENT OF TRUSTEES' AND DIRECTOR'S RESPONSIBILITIES	42
GOVERNANCE STATEMENT	43
PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT	54
THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT	55
FINANCIAL STATEMENTS	60
NOTES TO THE ACCOUNTS	63

History and Background

History

The National Portrait Gallery (NPG) was founded in the Victorian era with the aim of collecting portraits of 'the most eminent persons in British history'. The role remains the same today - telling the story of the nation through people - although we have broadened our understanding of achievement to reflect the diversity and dynamism of contemporary culture. Another important development has been the increasing importance given to art and art history, leading to the Gallery's role as a place to learn about the art of portraiture.

The Gallery had a peripatetic existence until a new building was provided in St Martin's Place through the benefaction of W.H. Alexander, which opened in 1896. A major extension was built along Orange Street, with funds provided by Sir Joseph (later Lord) Duveen in 1933, and a programme of improvement was initiated in the 1990s, with the creation of the Wolfson and Porter galleries on the Ground Floor. At the same time premises on the north side of Orange Street were acquired to create the Heinz Archive and Library, together with new offices and a conservation studio. In 2000, the Ondaatje Wing was opened, bringing a major improvement in the facilities and presentation of the Collection, followed in 2004 by the opening of the Regency display in the Weldon galleries. The *Inspiring People* project, which completed in 2023, was the Gallery's latest and biggest transformation since the opening of the building in 1896 involving a significant reconfiguration and refurbishment of the building and a re-hang of the Collection.

Background

The Gallery was founded by a Treasury minute dated 2 December 1856, following the recommendation of the House of Lords on 4 March 1856 'for the formation of a gallery of the portraits of the persons most eminent in British History'. The Board of Trustees have administered the National Portrait Gallery to this day.

The *Museums and Galleries Act*, 1992 established the Board of Trustees of the National Portrait Gallery as a corporate body and added it to the list of exempt charities under the *1960 Charities Act*. The National Portrait Gallery is a non-departmental public body (NDPB) under the auspices of the Department for Culture, Media and Sport (DCMS). The National Portrait Gallery is an exempt charity as defined by Schedule 3 to the *Charities Act*, 2011.

Connected Entities

The National Portrait Gallery Company Limited (the "Company") is a wholly owned subsidiary company of the National Portrait Gallery. It was incorporated on 23 November 2006 as a private company limited by shares and it commenced trading on 1 April 2007. The Company's business includes retail, publishing, rights and images, events and venue hire, and managing the catering franchise.

In 2006, the Gallery established the Portrait Fund, an endowment fund that provides essential additional funds for the acquisition of outstanding portraits for the Collection and for the conservation, framing, display, research and interpretation costs associated with the acquisition. The Portrait Fund is a separate body from the National Portrait Gallery Board of Trustees and is governed by the Portrait Fund Trustees.

Organisational Structure

The Board of Trustees is responsible for running the Gallery and to deliver the charitable objectives in accordance with their statutory, charity law and common law duties. The Board is supported by a series of committees to assist in fulfilling its function. The Director is appointed by the Board of Trustees, with the approval of the Prime Minister, and is designated as the Accounting Officer for

the Gallery. The Director is responsible for the day-to-day management of the Gallery and for making policy recommendations to the Board. The Director is supported in this role by Director's Group which comprises all NPG Directors. Further information is included in the Governance Statement.

Our Mission

The National Portrait Gallery is unique in being both *for and about people*. From Katherine Parr to Martin Parr, we serve as the nation's family album, inviting everyone to meet the people who have made, and are making, the United Kingdom what it is today.

Founded in 1856, we are home to the largest and most prestigious collection of portraits in the world. Our portraits highlight the cultural and historical links that we all share, and encourage reflection on identity, achievement and human stories. Spanning six centuries, our artworks reveal the inspiring and sometimes surprising personal stories that have shaped and continue to shape a nation - from global icons to local champions, national treasures to unsung heroes.

It is through the display of the Collection, exhibitions, loans, digital channels, research, learning, publishing, communications and outreach, that the Gallery tells the story of Britain through portraits, using art to bring history to life and explore living today, as well as promoting the development of portraiture internationally.

Our vision is for lives to be inspired and society enriched through deeper connections with the nation's stories and **our role** is to bring to life the human stories that have shaped and are shaping our ever-changing history.

Our activities and aspirations are driven by the Gallery's statutory aims and objectives as set out in the *Museums and Galleries Act*, 1992:

- a. to care for, preserve and add to the portraits and other works of art and the documents in their collection;
- b. to secure that the portraits are exhibited to the public;
- c. to secure that the portraits and other works of art and the documents are available to persons seeking to inspect them in connection with study or research; and
- d. generally to promote the public's enjoyment and understanding of portraiture of British persons and British history through portraiture both by means of the Board's collection and by such other means as they consider appropriate.

The strategy for the Gallery, confirmed in 2024, spans the next ten years. This ambitious and exciting plan is intended to transform the Gallery and to celebrate the power of portraiture in new and creative ways through the following lenses: our Reach, our Relevance, our Revenue and our Resilience. The broad ambitions for these are detailed below:

For Reach, we aim to provide digital experiences to our audiences that bring portraits to life, and utilise digital channels to contribute to contemporary conversations about life in the United Kingdom. We aim to enhance further our successful Learning programme as 'truly national', through partnership with audiences, and cultural and educational partners, transforming the understanding of portraiture and sharing the Collection with audiences beyond the Gallery.

For Relevance, we aim to continue to present an increasingly diverse range of sitters to explore the rich and complex history of the nation, underpinned by research and consultation, to build the audiences of the future. We aspire to grow the Collection to reflect traditional media and the work of artists expanding the boundaries of portraiture, and longer-term to develop a Collection Hub which will provide dedicated facilities for the Collection and for research, with access extended to the public.

For Revenue, we seek to grow income by further enhancing our offer to visitors, whether it be our vibrant exhibitions programme, our events, hospitality or shopping, as well as build our base of supporters globally in order to support some key ambitions of the ten-year plan.

And **for Resilience**, we seek to introduce greater efficiencies to our operational model and systems and to improve further our cyber security resilience. We wish to progress further our sustainability agenda, ensuring that the Gallery acts sustainably in all that we do, and we aim to be recognised as an employer of choice in the sector.

The next ten years will see us consolidating on this and our renewed flagship, **to move beyond the building and beyond the frame**; as we become the most truly national museum, using digital to broadcast nationally and internationally, more widely and inclusively than ever, increasing participation and impact and ensuring we are **at the forefront of the evolution of portraiture as generated by technology and adopted by artists**. By delivering the objectives as set out in the Ten Year Plan, the National Portrait Gallery will affirm its place as one of the must-see museums in the UK and the global centre of portraiture.

Below we describe the actions we have taken in the last year to deliver these objectives.

Review of Activities in 2024-25

An executive summary

The 2024-25 financial year marked the first full year of operation for the Gallery since its reopening in June 2023, following the successful completion of its major transformation project, *Inspiring People*. This ambitious project encompassed a significant redevelopment of the building and a comprehensive re-display of the Collection, enhancing both the visitor experience and the Gallery's curatorial presentation.

The success of this project was formally acknowledged during this year, most notably through the Gallery's nomination for the Art Fund Museum of the Year Award. This prestigious recognition celebrated institutions that excelled in community engagement, sustainable practices, and visionary leadership, redefining what it means to be an outstanding museum for both contemporary and future audiences. In addition, the Gallery also received the Royal Institute of British Architects (RIBA) London Award 2024 and RIBA National Award 2024, and was nominated for the RIBA Stirling Prize. The judging panel commented, 'A seamless blend of contemporary design and conservation of historical elements reinvigorates this Grade I-listed cultural institution'.

Throughout 2024-25, the Gallery remained steadfast in its commitment to advancing the objectives outlined in its Ten Year Plan. These priorities included expanding the Gallery's reach beyond its walls, engaging new and diverse audiences, maintaining relevance in an evolving cultural and societal landscape, and keeping pace with the continued development of portraiture. Additionally, the Gallery focused on broadening its revenue streams and ensuring long-term financial and operational sustainability, securing its future as a dynamic and accessible institution.

The Gallery welcomed an impressive 1.6 million visitors during this financial year. There was plenty to attract visitors to the Gallery and to foster engagement with our Collection this year, particularly through the Gallery's exhibition programme which spanned six centuries of portraiture. *Francis Bacon: Human Presence*, the largest and most comprehensive exhibition exploring Bacon's engagement with portraiture, was hugely popular with visitor numbers exceeding targets. Other exhibitions for the Gallery supported our mission to extend the composition of our audiences in terms of diversity, including *The Time is Always Now: Artists Reframe the Black Figure*, and age, supported by the Learning programme, in partnership with SIX: The Musical that complemented the *Six Lives: The Stories of Henry VIII's Queens*.

In alignment with our commitment to promoting the art of portraiture, the Gallery has continued to highlight excellence in contemporary portraiture through its prestigious competitions, the *Taylor Wessing Photo Portrait Prize* and *Herbert Smith Freehills Portrait Award*. These were further complemented by the Gallery's acquisitions programme, which has resulted in the addition of several significant works to the Collection, enhancing its depth and diversity.

This was a challenging year financially for the Gallery, along with other cultural institutions, due to the high rate of inflation and the resulting pressures on all budgets. However, through a combination of rigorous cost management and additional income generation over the course of the year we were able to maintain a strong financial position.

During the year we bade farewell to our Director, Dr Nicholas Cullinan OBE, as he took up a new role as Director of the British Museum. Michael Elliott was appointed as Interim Director (to whom we express our sincere gratitude for his leadership and support) as we undertook an extensive search for a new permanent Director, appointing Victoria Siddall in October.

Lastly, the Gallery's achievements would not have been possible without the unwavering dedication of our staff, volunteers, Trustees, partners and supporters, whose commitment and contributions have been integral to our success. We are grateful to the DCMS, the National Lottery Heritage Fund, Art Fund, and countless other organisations and individuals for supporting us in 2024-25.

Delivering on our strategic objectives

This section sets out the significant progress achieved in advancing the objectives as set out in the Gallery's Ten-Year Plan, under the core pillars of Reach, Relevance, Revenue and Resilience.

REACH

Our ambition is to extend our reach to a wider and more diverse audience through our Collection and programmes. We want to create opportunities for everyone to engage with the nation's stories, whether through multiple platforms or through strategic partnerships to support us in extending our reach nationally and internationally.

Continuing with one of the core ambitions of the *Inspiring People*, Reach is about connecting with and engaging a wider and more diverse audience. During the period under review we have welcomed 1.6 million visitors to the Gallery (2023-24: 1.5 million visitors), of which over 566,000 were overseas visitors (2023-24: 589,000 visitors), over 115,000 were children under 16 (2023-24: 95,000 visitors) and just under 60,000 were educational visits (2023-24: 35,000 visitors).

Beyond the walls

National Programme

Nationally the Gallery continues to have a large footprint across the UK. This year saw *Picture Perfect: A Century of Fashion Photography from the National Portrait Gallery* which was originally developed by Ulster Museum as part of the National Skills Sharing Programme, offered as a package to Gainsborough's House in Sudbury, Suffolk where it opened in November 2024 and closed in April 2025. In December, we also received news of our successful National Lottery Heritage Fund bid to tour Reynolds' *Mai (Omai)* nationally alongside an ambitious youth engagement programme. Planning therefore kicked off in earnest in January and the programme formally started on 4 April with a Departure Summit hosted at the Gallery just before the painting left for Cartwright Hall Art Gallery in Bradford in May, travelling onwards to the Fitzwilliam Museum in Cambridge and The Box in Plymouth.

International Programme

For our international reach we have toured exhibitions across the globe during this year, predominantly in Europe, North America, and East Asia, with plans to grow the scope of the programme even further in future years. The *Paul McCartney Photographs, 1963-64: Eyes of the Storm* tour offered visitors an unprecedented opportunity to see the extraordinary archive of recently discovered photographs taken by Paul McCartney that provide a uniquely personal perspective on what it was like to be a 'Beatle' at the start of 'Beatlemania'. With concurrent tours in the USA and Japan, the exhibition has travelled to six different cities and has already been viewed by over a quarter of a million people since its debut at the Gallery in London. Other touring shows for this year included: *Francesca Woodman and Julia Margaret Cameron: Portraits to Dream In* to the Instituto de Arte Moderna de Valencia; *The Time is Always Now: Artists Reframe the Black Figure* to Philadelphia Museum of Art and North Carolina Museum of Art, and *Francis Bacon: Human Presence* to the Fondation Gianadda Switzerland. With nine international exhibition openings in total during this financial year, it has been the Gallery's busiest year globally to date. This programme continues to raise the Gallery's brand recognition internationally and extends the NPG's network of partnerships with other museums.

Online

Extending beyond the walls, the Gallery continues to attract and engage online visitors, whether via our website to view our digital collection or our social media channels. Website views were 34 million and the Gallery now has a social media following of over 2.1 million, as at 31 March 2025. During

the year the Gallery partnered with Snapchat to celebrate #InternationalPortraitDay on 23 June. Snapchat created a suite of AI 'selfie' filters, inspired by the Collection, which could be accessed by visitors onsite in a Snapchat photo booth or online via the Snapchat App. During the project 2.2 million plays were secured in Snap and 45K Snaps were created. A virtual exhibition of these portraits was displayed on the Gallery's website and on the projection wall in the Main Hall.

Images from the Collection were licensed for use in *Stories – Brought to Life*, a new experience developed and launched by Frameless Creative. This is the first immersive digital art experience inspired by a UK national collection, featuring sitters such as William Shakespeare, Queen Elizabeth II, Audrey Hepburn, Nelson Mandela and Malala Yousafzai. The experience opened to the public at MediaCity in Manchester in May 2025.

The Gallery's digital collection is available to visitors across the globe. We are continuing to work towards our objective to digitise the Collection, with 2,248 images digitised and processed during this year of which 764 were new Collection images across the Primary, Archive and Photographs collections. This included a project to catalogue large collections of silhouettes and press photographs, making hundreds of new illustrated records available online. With the use of Bloomberg Connects, an App which connects users to arts and culture at any time, from anywhere, we are also able to share much more content about works within our Collection. Since reopening the Gallery in 2023 over 86,000 visitors have accessed the Gallery guide on this platform.

Competition Reach

The Gallery's competitions, the *Herbert Smith Freehills Portrait Award* and the *Taylor Wessing Photo Portrait Prize*, frequently attract entries from all over the world, with entries for the *HSF Portrait Award* in 2024 alone being received from 62 countries. The prestige of these competitions as a platform for upcoming artists to profile their talent and support their career development is a testament to the global brand that continues to be built by the Gallery year on year.

Being accessible

Access

Making the Gallery more accessible has been instrumental in increasing our audience in terms of quantity and diversity. Removing financial barriers to visiting an exhibition has been one key mechanism to achieving this – the Bank of America sponsored £5 exhibition tickets for under 25s, and the introduction of a Pay What You Can scheme and Senior Mondays were launched during this financial year. For our competitions we introduced free entry for artists accessing universal and pension credit, as well as discounted entry for students and those receiving disability benefits.

Building on the improvements to the building as part of the *Inspiring People* project (including transformation of the building to include step-free Gallery access, a Changing Places facility and accessible universal WCs), there have been a number of other improvements implemented to support access to the Gallery and its offer. Onsite resources are available for visitors who are blind or partially sighted, such as braille maps and audio-described tours, or are D/deaf or hard of hearing, such as portable hearing loops and British Sign Language (BSL) version of the Highlights Tour. As part of the adult public programme BSL tours and descriptive tours are held, as well as sensory tours for visitors with complex access needs. By raising awareness of our free and high quality offer with target communities (as well as positive word-of-mouth reviews) this programme has been steadily growing in popularity and demand. Additionally, Visitor Experience and other teams across the Gallery have received training on non-visible disabilities to ensure that the Gallery remains an inclusive and welcoming environment for all.

As a result of these improvements to access, 13% of visits were from visitors with a disability, maintaining the significant 129% increase in the first 12 months following reopening (in comparison to pre-closure) and representing a 3% increase year on year. A BSL tour participant fed back, '*I want*

to say how much my family and I enjoyed the BSL tour. The guide's signing was so clear and right to the point - some of the facts I never knew - which made the whole evening informative and enjoyable.'

For those visiting us online, accessibility to our website has now been rated at 93.9% in January 2025 by making our content and design clear and simple, for example removing inaccessible PDF forms that cannot be read out on screen readers.

Reaching our communities

Again, building on the successful work of the *Inspiring People* project, the Gallery has sought to work with community groups and other target audiences to extend its reach to new visitors.

Early Years and Families Programme

The Gallery has had great success in delivering its objective to extend its reach to a younger audience. In addition to the twice monthly Little Explorers programme, highlights of the Family Programme included the summer family festival, two festivals which ran throughout August 2024, which attracted over 2,000 children and their grown-ups, and the creation of two new activity trails which were launched in July 2024 as part of the summer exhibitions, engaged with by over 7,000 children.

The launch of *The Bobeam Tree Trail* in February 2025, opened by our Patron HRH The Princess of Wales, marked the beginning of an ongoing relationship between the Gallery and the Royal Foundation Centre for Early Childhood. The trail, aimed at supporting young children in the development of crucial social and emotional skills, ran at the Gallery from February to March. This immersive and imaginative experience for under 5s and younger families dispersed across the permanent Collection displays was the first time the Gallery has staged such an intervention for younger audiences. The Learning and Engagement team at the Gallery will now lead a new national network of five regional museums who share the commitment to producing immersive learning activity for under 5s in their settings.

Young People's programme

The Youth Programme continued to thrive during the year in its mission to engage young people from across the UK. For the *Six Lives* exhibition in particular, our Young Producers worked on a project with TMAX Films Ltd., producing a suite of films for the exhibition, in partnership with SIX the Musical, and organised the Six Lives Late which was attended by 2,500 young people. The evening included activity such as film screenings, a Tudor Casino (featuring chess and card games), handling collection of SIX the Musical costumes, a traditional medieval banquet, a court jester, headphone disco, fashion and jewellery making workshops and more.

The overall Youth offer has also been re-designed. This shift has been informed by recent lessons learned and catalysed by recent investment. We now have four distinct strands. 'NPG Link' a programme of drop-in activity for all, linked to the temporary exhibition programme; 'NPG Lab' a one-year programme for 50 young people (this combines what was previously Youth Forum and Youth Producers) and is focused on skills development; 'NPG Loop' a youth alumni network for 'NPG Lab' members to build an engaged community of young people through programmes and debates, and; lastly 'NPG Lens' a more in-depth 'scholarly' research programme for young people aged 18 or over.

Community

Continuing our work with communities beyond London, the Gallery hosted displays in the Spotlight Space of new work created as part of the *People Powered: Stories from the River Tees* project [[People Powered: stories from the River Tees – National Portrait Gallery](#)] in partnership with Middlesbrough Institute of Modern Art and from the *Creative Connections Southampton* project

[\[Creative Connections home - National Portrait Gallery\]](#), in partnership with Cornwall Studio Gallery. The *A Gallery of People by People* display celebrated the range of activities the Gallery had undertaken since reopening in 2023 to support creativity and connectivity with portraiture for all the ages, from our partnership with Soho Nursery through to our collaboration with Age UK Camden. Snapshots, a photography project designed to build upon and extend the Gallery's work engaging young people with portraiture, held its final course in October. Across three short courses in partnership with New Horizon Youth Centre, the project has worked with young people aged 18–24 with experience of homelessness, working to inspire the young people, raise aspirations and support their creative and skills development.

Another example of the Gallery's community engagement during the year was through Studio Hub, a programme developed in response to the need for arts engagement and wellbeing programming in the local community. Through various partnerships with charities, such as Age UK Camden and Portugal Prints, this programme provided monthly, artist-led workshops for community groups, engaging individuals facing high risk of social exclusion, isolation and loneliness. The final session in August culminated in a pop-up display showcasing works created by participants across the span of the project.

Schools

The work to engage schools nationally with the Gallery continues to build. Schools hub, the Gallery's online one-stop shop for learning resources and content continues to attract a strong growth in audiences. It is central to the delivery of the ambition to be a 'national learning resource' for teachers and students. It has had over 470,000 views and over 150,000 users since its launch in September 2023. The most popular resources are: 'Pocahontas' based on an image by Simon de Passe, 'Identity through portraiture: the self', 'Lucian Freud by Lucian Freud', 'Art explainer: what is a self-portrait?', and 'How to analyse a portrait'.

The 'Faces and Places' schools outreach programme was rolled out to five schools in Westminster in the Autumn term, seven schools in Greenwich in the Spring term with a further seven selected for Newham in the Summer term. The programme links students to significant people in their borough through portraiture. It includes the provision of creative workshops, led by a Gallery Educator, with students making their own portraits.

The Law Photography programme has engaged over 500 students and teachers, through a varied programme of workshops, masterclasses and outreach sessions, inspired by the Gallery's photography exhibitions and permanent displays. Student-created photographic portraits will form a summer display in the Studio Gallery, and inspire career pathways into photography.

Bookable sessions for students aged 5–18, focusing on the Art and History curricula, which take place in the Learning Centre and rooms throughout the Gallery continue to be extremely popular, with a rich and varied programme based around the Gallery's exhibitions and permanent displays. The programme has welcomed 50,000 students and teachers in the past year.

The Onsite Offer

Ensuring that the Gallery's onsite offer is a high quality, engaging and informative experience is critical in ensuring that visitors return and encourage others to interact and engage with the Gallery.

The experience of the visitor was a key priority for the *Inspiring People* project, to ensure that the Gallery was inviting and welcoming to all. The mystery visit survey undertaken to assess experience and services continues to show high levels of satisfaction; for the December-February achieving 90% against a target of 80%, including pre-visit 92%, guided tour 100%, staff 93% and general visitor experience 97%.

We have continued to build on our digital offer for exhibition visitors, including the development of an audio guide and a range of content and films for the *Six Lives: The Story of Henry VIII's Queens* exhibition.

In 2023 the Gallery introduced later opening into the evening on Fridays and Saturdays, and to extend reach and engagement with the Collection a series of additional tours have been programmed 'Before the Crowds' providing early-access Collection tours of our most popular works in spaces that are typically busy during opening times. In our catering spaces 'Live at Larry's' offers visitors an evening of live jazz whilst dining, with an extensive wine list and cocktail menu.

Another part of our strategy to engage with audiences and attract new visitors is through the Public Programme. The *Six Lives* exhibition public programme included a major partnership with SIX the Musical for a large-scale event at the Gallery in July. This event saw approximately 6,000 people visit the Gallery for an exclusive live performance by the stars of the West End show plus a range of other free drop-in activities including costumed life drawing, curator led talks, sing-a-long and Choreography workshops and a DJ.

Other highlights on the programme included Tudor historian and podcaster Suzannah Lipscomb In Conversation and a Study Day chaired by curator, Dr Charlotte Bolland on the Material Culture of the Tudor Court.

This season also saw successful *Portrait Award* related events, including our first ever Judges in conversation, with Russell Tovey and Tom Shakespeare, and various practical workshops led by contemporary artists exhibiting in the competition.

All events in the *Francis Bacon* events programme were sold out, highlights included Michael Peppiatt in conversation with Rosie Broadley and a painting masterclass with Nathaniel Mary Quinn. As we enter 2025 we are looking forward to delivering a range of high-profile events aligned to our future exhibitions programme, including online only events, a key new income stream for the programme.

RELEVANCE

We will strive to maintain relevance, through celebrating and championing portraiture in all its guises, from the historic to the contemporary, painting to digital, to create connections with the nation's stories. We will be at the centre of conversations about Britain in a way that is inclusive, meaningful and relevant to all people.

Exhibitions

We have delivered a phenomenal exhibitions programme during this year, including: *The Time is Always Now: Artists Reframe the Black Figure*; *Francesca Woodman and Julia Margaret Cameron: Portraits to Dream In*; *Six Lives: The Stories of Henry VIII's Queens*; *Francis Bacon: Human Presence*; *The Face Magazine: Culture Shift*, and; *Edvard Munch Portraits*. As well as bringing recognition and acclaim, there were a number of other objectives of the Gallery's exhibition programme which were delivered through these exhibitions, including providing a balanced and diverse programme, enabling discussions around British identity, supporting contemporary developments in portraiture and attracting new audiences.

Competitions

The Herbert Smith Freehills Portrait Award, one of the most important platforms for portrait painters, returned in 2024. This culminated in a display of the shortlisted artists alongside the winning portrait, *Jacqueline with Still Life*, by Antony Williams. This prestigious competition continues to celebrate the very best in contemporary portraiture and features captivating works from around the world, by both

self-taught and more established painters. The international reach of the *HSF Portrait Award* has increased with entries received from 62 countries.

Also returning in 2024 for its 17th year was the *Taylor Wessing Photo Portrait Prize*, one of the most important photography awards in the world, showcasing the work of exciting and cutting-edge contemporary photographers. The winner of the prize was *Sonam* by Steph Wilson, from the series *Ideal Mother*, which was displayed alongside other prizewinners and shortlisted works from November-February. The display also showcased works from this year's In Focus Photographer, Diana Markosian from her series and new publication *Father* (Aperture, 2024).

Displays

The purpose of Gallery displays is to showcase the breadth of the Collection and provide more depth around certain themes, sitters, artists and media, as well as featuring the work of artists working in portraiture to provide new perspectives, different and diverse voices, or counterpoints to the permanent displays. Below are some examples of displays which supported these objectives.

Lines of Feeling: Portrait Drawing Now highlighted some of the recent drawing acquisitions made by the Gallery, with works by leading contemporary artists, foregrounding the emotive qualities of drawings, which are often immediate and accessible. *Silent Testimony*, featuring 18 large-scale portraits, was a display by Belfast-born artist Colin Davidson, exploring the use of portraiture to reflect the personal stories and experiences of those whose lives were impacted, and continue to be affected, by the Troubles, a 30-year period of conflict in Northern Ireland.

Further displays were curated during this year as part of the *Reframing Narratives: Women in Portraiture* project, in partnership with the CHANEL Culture Fund, which included *Reframing Women and Self-Portraiture*, exploring themes of identity and challenges to the conventional expectations of womanhood, and *New Visions and Voices: Contemporary Portraits by Women* featuring portraits by women photographers of innovative and trailblazing figures from different fields of achievement, who have shaped and are making history today.

Research

In addition to research to support the Gallery's interpretation and development of displays and exhibitions, the Gallery continues to play an active role in supporting research across the sector through the consortium of Independent Research Organisations (IROs) recognised by the Arts and Humanities Research Council (AHRC).

'The Reynolds Digital Research Resource: Access to Rich Heritage Science Data in its Multidisciplinary Context and a Template for Future Initiatives' (Research Infrastructure for Conservation and Heritage Science (RICHeS) project remains underway, with the Gallery acting as Co-Investigator alongside project leads at The National Gallery and other partners, as is The Pilgrim Trust / Kress Foundation project involving a survey of the Heinz Archive's resources to identify and contextualise images of people from the global majority in portraits made in Britain between the sixteenth and nineteenth centuries, with support from specialists from University of the Arts (UAL), University College London (UCL), National Trust (NT), Royal Museums Greenwich (RMG) and Yale Center for British Art (YCBA). A number of other research proposals have also been developed during this period.

The Gallery was awarded funding in July from the Economic and Social Research Council (ESRC) Impact Acceleration Account Partnership Builder to continue working with world-leading researchers in museology at the University of Leicester Research Centre for Museums and Galleries on engagement and inclusive practices in museums. This will continue the positive work undertaken to date.

Another research project to highlight for the period was the *Mai (Omai)* seminar held in March 2025. To celebrate the Gallery's joint acquisition of this portrait with the J. Paul Getty Museum, LA, and extend our understanding of the multiple perspectives the portrait and its sitter encourages we held a joyous and stimulating two-day international seminar with participants from across the globe. For the first time, academics, artists and heritage practitioners from Europe, America, Australia and Tahiti joined together to explore the portrait and its meanings past and present. We hope this will be the first of an ongoing series of similar trans-national events and conversations.

The Gallery continues as the lead partner in the Understanding British Portraits Network. This is an active network with free membership for professionals working with British portraits including curators, museum learning professionals, researchers, academics and conservators. The Network organises seminars, events and fellowships. The Network currently has over 1,300 members.

Acquisitions

The Gallery aims to continue to present an increasingly diverse range of sitters to explore the rich and complex history of the nation. The acquisitions made are underpinned by research and aim to engage present audiences as well as future ones.

Primary Collection

A number of works have been acquired by the Gallery's Primary Collection to support this aim. This included the acquisition of a portrait by Sarah Jane Moon of Peter Tatchell, a prominent human rights campaigner, especially known for his work in support of the LGBTQ+ community. The acquisition of a portrait of Adam Pearson has expanded the Gallery's representation in the field of disability rights campaigners. A portrait by Lucian Freud of Sir John Richardson, a prominent art historian, captures the long friendship between artist and sitter, who individually were key figures in twentieth century art. Other notable acquisitions have included a plumbago of John Somers, Baron Somers, by Thomas Forster, a portrait of Henry Marsh CBE, a pioneering neurosurgeon, and a ceramic life mask of Benjamin Zephaniah, writer, dub poet and musician.

The acquisition of a series of paintings and etchings by Lucian Freud, allocated through the Arts Council England Acceptance in Lieu Scheme, has expanded the Gallery's already extensive Lucian Freud Archive, also allocated via the same scheme in 2015. In honour of the departing Director, Dr Nicholas Cullinan OBE, the Gallery was generously gifted by Naomi Milgrom a collection of ten self-portraits by Gillian Wearing, including *Dancing in Peckham*.

Through the generous support of the 'Collecting the Now' - a fund established with support from the Bukhman Foundation - the Gallery has successfully acquired two contemporary works of leading British artists. *Edward VII*, by Hew Locke, is part of a series of portraits that appropriate historical royal portraits and open up discussions about this complex area of history and the legacies of royal iconography. *From Someone Else's Fear Fantasy (A Case of Mistaken Identity? Well This is No Bed of Roses) To Metamorphosis, Self-portrait* by Sonia Boyce has also been acquired by the Gallery through this fund. Boyce, one of the leading figures in the 1980s of the Black British Art movement, addresses issues of race and gender in the media and day to day life through her work and is an exceptional addition to the Collection.

Reference Collection

The Reference Collection also continues to expand with a diverse range of sitters. These included the generous gift from Counter Editions of a portfolio of four lithographs by Tracey Emin, related to her designs for the Gallery's bronze doors; a legacy of the National Heritage Lottery Fund and Art Fund funded project *Citizen UK: Croydon's Caribbean Influencers* was the purchase of five record sleeve portraits of members of the Croydon Caribbean community by Kyam; and the Nightingale Fellowship donated an enamel and silver Nightingale badge, bearing a portrait of Florence Nightingale, a significant addition to the Gallery's collection of 'popular portraits'.

Photographs Collection

We are grateful to have received a number of generous gifts for the Photographs Collection. These include contemporary works by Jack Davison of actors Ruth Negga and Sheila Atim, a portrait of Bernadine Evaristo by Ruth Ossai, photographer Martin Parr by Siân Davey given by Michael Hoppen Gallery, poet Momtaza Mehri by Jillian Edelstein and a self-portrait daguerreotype by James Tylor donated by the N. Smith Gallery. RAF veteran John Hemingway by Alistair Morrison is on display in Room 27, artists Jesse Darling and Thomas J. Price by Nicholas Sinclair and Jasleen Kaur by Jenny Lewis have been donated by the photographer and the Hitchen family respectively. Portraits of Vera Schaufeld and Lord Alfred Dubs by Simon Hill join us as a legacy of the One Life project concerning the kinder transport refugees and are gifted by Warner Bros. Entertainment Ltd. Film strip portraits of actress Naomi Ackie have been by photographer Josh Shinner and a recent cover image of Twiggy by Rachell Smith has been donated. Dancer and choreographer Darren Panton is represented in a triptych given by photographer Tony Butcher.

A 1970 photograph of Bobby Charlton by Peter Robinson and musicians George ('Peckings') Price, Barrington Levy and Feargal Sharkey by David Corio, Naomi Campbell by photographer Jamie Morgan, poet and artist David Robilliard by Peter Wright from the 1980s have been given by the photographers. A portrait of Lily Savage by Matthew R. Lewis has been given by the photographer's estate. Floella Benjamin by Colin Bell is the first portrait of the presenter and politician to enter the Collection. Hugo Vickers has donated photographs of Anthony and Clarissa Eden by Vivienne, and Terence Pepper's gifts include a carte-de-visite of socialist Annie Besant.

Purchases this year have seen Jamie Oliver by Eva Vermandel, vaccinologist Dame Sarah Gilbert by Philip Sinden and headline act Raye by Alexander Beer enter the Collection. A diptych self-portrait by artist Heather Ageypong makes reference to historical works of Aida Overton Walker in the Gallery's Collection. Jill Craigie filming 'Out of Chaos' portrayed by Lee Miller will be an important addition to the representation of women in the Second World War.

As an outcome of learning projects *Creative Connections* and *Citizen UK* funded by the National Lottery Heritage Fund and Art Fund, Denzil Forrester by Joy Gregory, psychologist Waveney Bushell by Lyttanya Shanno, singer Paul Smith by Gilmar Ribero and two social documentary studies made in Teeside by Ian Macdonald have been added. 2023 saw the inaugural *Taylor Wessing Photo Prize* Commission, which resulted in two vibrant portraits of clean air activist Rosamund Adoo-Kissi-Debrah, by Serena Brown.

Loans

Through the use of long term loans the Gallery is able to increase further representation of different areas of achievement where there are gaps in the Collection. The Gallery's representation of businesswomen has also been extended through securing a long term loan of a portrait of Florence Anne Boot, the first female director of Boots Chemists.

It has been confirmed during this year that the loan for the popular *Reaching Out* by Thomas J Price will also be extended. This work is an imaginary portrait figure of a young black woman and its key positioning at the entrance of the Gallery, surrounded by portrait busts from across the Collection, provides a relatable and contemporary welcome for visitors.

Following the success of the *Francis Bacon: Human Presence* exhibition the Gallery has also secured long term loans of two portraits by Francis Bacon lent by generous supporters of the Gallery, one a self-portrait and the other a triptych, *Three Studies for Portrait of Lucian Freud*. These works provide a rare opportunity for the Gallery to represent outstanding work by Bacon and to further advance understanding of the genre of portraiture.

REVENUE

We are committed to being an innovative and entrepreneurial Gallery with a strong financial foundation. Our revenue will be generated by the Gallery being attractive to audiences, visitors, members, sponsors and patrons. This will enable us to reinvest regularly in our collection, our people, our programmes and physical spaces to progress our long-term ambitions for the Gallery.

As an exempt charity, the Gallery is reliant upon the generous support and contributions from individuals, public bodies, foundations, and organisations, for which we extend our deepest gratitude.

This support is further supplemented by income we generate via ticket sales, membership, retail, publishing, licensing, hospitality and event hire, amongst others, all of which supports the Gallery in fulfilling its vision and objectives. Throughout the current year, the Gallery has concentrated on targeted initiatives to optimise its revenue streams and secure a strong financial position.

Our supporters

This year we were grateful to have received significant support from a range of corporates, individuals, Trusts and Foundations for our exhibitions programme, including principal support from AKO Foundation, major support from Asbjorn Lunde Foundation and Viking for *Edvard Munch: Portraits*, and major support from the Huo Family Foundation for *Francis Bacon: Human Presence*. Philanthropic gifts from a number of supporters were also received for *Six Lives: The Stories of Henry VIII's Queens* and for *The Time is Always Now: Artists Reframe the Black Figure*, with Bank of America as the Principal Sponsor. We were grateful to have been awarded a grant from the Wolfson Foundation and a gift from Sir Christopher Ondaatje enabling us to refurbish and improve accessibility in the Ondaatje Wing Lecture Theatre. A number of major gifts were also received in support of the Gallery's Learning and Engagement programme, including from The Considered Ask which has enabled the continuation of the Youth Programme, and the Kusuma Trust which has enabled the continuation of 'Faces and Places', the school outreach programme.

In order to support our acquisition of contemporary art, the Gallery announced a new fund, 'Collecting the Now', supported by a generous gift from the Buhkman Foundation. This will be instrumental in ensuring that the Gallery continues to fulfil its objectives of increasing the representation of contemporary works in the Collection, which will in turn enable the Gallery to reflect and respond to social and technological changes in the genre of portraiture. For other recent acquisitions we have received major support from the National Lottery Heritage Fund (NLHF) and from Art Fund towards 'Journeys with Mai' to enable the *Mai (Omai)* by Sir Joshua Reynolds to embark on a national tour, visiting Bradford Council's Cartwright Hall Art Gallery, as part of Bradford 2025 UK City of Culture; The Fitzwilliam Museum in Cambridge; and The Box in Plymouth, creating opportunities for audiences, contemporary artists, young people and communities from the Pacific and across the UK. We remain enormously grateful to the many other trusts, foundations, and individuals who helped us secure new acquisitions for the Collection this year.

We are grateful for the continued support of our Corporate Supporters: The CHANEL Culture Fund, Christie's, Gagosian, Herbert Smith Freehills LLP, Taylor Wessing LLP and Viking. In addition, we would like to extend our thanks to our Corporate Members; Bank of America, Bloomberg Philanthropies, The Cultivist, Edwardian Hotels, EFG Private Bank, Morgan Stanley, Sotheby's and Walpole.

The Gallery's Patrons community continues to grow, and we are grateful for their ongoing support which helps to fund activity across the Gallery, from exhibitions and special displays to conservation and projects in our Learning programme.

We extend our deepest gratitude to all our supporters, including Major Donors, Partners, Patrons, and Members, whose continued philanthropic contributions steadfastly advance the Gallery's

objectives. We are particularly pleased with the rise in onsite donations from our visitors, which increased by 100% during the year following the successful implementation of a new strategy developed for onsite giving.

Membership

Membership is key to achieving the Gallery's mission to create a world-class visitor and learning experience across all its sites and collections, while looking to diversify and increase private and commercial funding sources.

We were delighted to offer a range of exciting events and benefits to these supporters, highlights of which included exclusive previews, morning and late views of exhibitions, as well as exclusives such as the evening class 'Tracey Emin's Bronze Doors' and the exclusive tour with the great-granddaughter of Charles Dickens, Lucinda Hawksley, on Dickens. During the year, the Gallery has developed a new strategy for membership following extensive research into how the current offer could be improved. Initiatives for this year have included the development of a pop-up Members' space, The Members Lounge at Larry's, champagne tastings at the Portrait Restaurant and new Members exclusive tours, and workshops on painting, sketching and portrait photography. Other activities have focused on increasing awareness of the membership programme and its benefits, including exclusive access to exhibitions and 'Before the Crowds' tours. We have welcomed c.11,500 new members with guests during the year and grown the membership supporting audience segment by 19%.

NPG Commercial

Hospitality

The Gallery's hospitality partners, Daisy Green (operating Larry's Bar, Audrey Green and the Portrait Pavilion) and Richard Corrigan with Searcy's (The Portrait Restaurant), continue to show resilient revenues despite industry-related challenges around recruitment and the cost of living crisis. As well as continuing to provide its usual quality offer to our audiences, during the year there has been much success through the alignment of the hospitality offer with the exhibitions programme, for example 'Bacon's Butty Roll' in celebration of *Francis Bacon: Human Presence*. Various other packages have been co-created with the hospitality partners, including Evening Portraits and Cocktails, Weekday Brunch, and Breakfast at Tiffany-inspired tea.

In total, the Gallery's gross trading income for the year reached £6 million, up by 25% on 2023-24. Strong retail sales were driven by the *Francis Bacon: Human Presence* range which were particularly popular, with products developed for the exhibition being nine of the top ten bestsellers in the shop during this period. Another highlight for retail during the year was sales linked to *The Time is Always Now: Artists Reframe the Black Figure* exhibition. In conjunction with London Craft Week, the Gallery showcased the retail range for this exhibition, which reflected a diverse maker community, with work including handmade ceramics, homewares, accessories and jewellery. A display and series of events was held providing detail of the maker's stories and processes throughout the week. Featured makers include leather artisan Kingsley Walters, ceramicists Ronaldo Wiltshire and Bisila Noha, jeweller Umutoni, candlemaker Goods Lifestyle Store, textiles artist Amechi Mandi, and chocolate artisan Lucocoa Chocolate. The ongoing tour of *Paul McCartney Photographs 1963-64: Eyes of the Storm* toured to four venues in this financial year which further boosted product and publication sales.

Ecommerce sales have grown from the previous year, one highlight being sales of the Tracey Emin ceramics range, which celebrated Emin's unique commission for the Bronze Doors, and featured in the May issue of *Harper's Bazaar* and the Kensington, Chiswick, West & Richmond, and North by Northwest editions of *Absolutely Magazines*. Work is underway to secure a broader range of limited editions for the future. Other highlights included sales of print on demand prints, paper crown kits, and exhibition catalogues.

The Gallery published a number of titles in 2024-25, including catalogues for: *Francis Bacon: Human Presence*, *The Face Magazine: Culture Shift*, *Six Lives: The Stories of Henry VIII's Queens*, *Edvard Munch Portraits* and, in collaboration with the Polish Cultural Institute, *Stanislaw Wyspianski Portraits*. *Cocktails at Larry's* was another title which was produced during the year as a collaboration with Daisy Green. This publication provides an introduction to Larry's Bar and the story of its namesake, the actor Sir Laurence Olivier, and showcases each of Larry's bespoke cocktails, telling the stories behind their inspiration, ingredients and design. These narratives are complemented by illustrations of each drink and portraits of iconic figures from the Gallery's Collection, including luminaries such as Audrey Hepburn and Francis Bacon.

The number of filming and photography enquiries and the scale of the events has grown significantly throughout the year and a revised pricing structure has helped with converting enquiries to actual shoots. The Gallery's picture library sales have been impacted by an industry-wide trend with editorial clients using more free sources and AI generated content, which has impacted on image licensing. Brand and product licensing continues to be an area of focus with the opportunity for growth in the future.

During the financial year, the Gallery has consistently facilitated after-hours events, encompassing high-profile internal gatherings, Corporate Partner and Sponsor engagements, as well as private venue hires which has been delivering exceptional returns for the Gallery with the total 2024-25 target being exceeded. With income not linked to visitor trends, this is a key target area for growth.

RESILIENCE

Lastly, resilience will be built into everything we do – being a Gallery that is fit for the future. This includes being a values-led organisation and an employer of choice, being responsible and responsive to the world around us from a social and environmental perspective, and being robust and creative in how we operate. We recognise the significance of our role within society and are committed to making positive contributions to the world around us.

People

The Gallery's success can only be achieved through the commitment of its employees, and the Trustees would like to record their gratitude for the hard work of staff throughout what has undoubtedly been a challenging year.

Our colleagues are the most significant resource for the Gallery and without their dedication and contribution, the Gallery would not have achieved the remarkable results during 2024-25. During the year we have undertaken a Gallery-wide staff engagement survey to understand how embedded our organisational values are, to learn about more we can do as an employer to support with wellbeing, workload, and communications and to hear more about their experience working at the Gallery. The action plan arising from this survey will be implemented in the upcoming financial year.

We continue to ensure that employees are well informed about Gallery activities, through regular staff briefings and the newly launched intranet – the Portrait Portal. On the Portal, staff are able to access policies, guidance materials, performance updates, and industry news. These communication channels are supplemented by regular out-of-hours staff tours of upcoming exhibitions or tours of the Gallery's conservation studio and Archive and Library, amongst other points of interest for employees. The Gallery and recognised Trade Unions have continued to meet to provide a formal opportunity to discuss issues raised by staff.

The Gallery endeavours to safeguard the quality of its work by ensuring staff of the highest calibre are recruited and retained, that they are appropriately trained, and work in a supportive environment. Action has also been undertaken to look at ways in which the Gallery can be more efficient, for example, merging the Visitor Experience and Ticketing teams to create a more flexible workforce and outsourcing warehousing and ecommerce fulfilment.

Volunteering Programme

The Gallery-wide volunteering programme continues to thrive with over 230 volunteers supporting a number of areas, including Visitor Experience, Collections, Learning & Engagement, Programmes, Archive and Schools. We have recruited 57 new volunteers and offered 8 new roles to our existing volunteers to extend their experience. Key projects that volunteers have been involved with include the *Six Lives* exhibition 'One of a Kind' Late Event, the Archive Survey Project and the new schools outreach programme, 'Faces and Places'. We also ran a work experience programme for nine young people aged 14-17 years in July.

We have established new connections with peer organisations this year in order to share learning and offer our volunteers exclusive access, starting with a magnificent backstage tour of the Royal Ballet and Opera House for our volunteers in January and a reciprocal 'Before the Crowds' tour here at the Gallery led by our volunteers. Our volunteers have contributed over 10,500 hours over the past year.

Equality, Inclusion and Diversity

The Gallery has a long-term commitment to equality, diversity and inclusion and works hard to ensure that we live by the principles of collaboration, integrity, diversity of thinking, and innovation in all that we do. The Gallery is now in the second year of its five-year Equality, Inclusion and Diversity strategy, which was agreed by the Board of Trustees in 2023, with our vision to ensure that everyone is to feel welcome, included and represented and inspired by our portraits, programme and all activity. Driven by the Director's Group and the Equality, Inclusion and Diversity Working Group, there have been a number of highlights during the year across the following priorities.

Diversifying our workforce

The Gallery continues to strive to become a more equal, diverse and inclusive organisation and has been gathering and evaluating data on its workforce to help do this.

Composition of the NPG Group's workforce (as at 31 March 2025)

	2020–21*	2021–22*	2022-23*	2023-24*	2024-25
HEADCOUNT	143	150	197	275	283
FTE	127.23	137.73	180.3	233.67	241.76
DIVERSITY					
White	83.2%	82.0%	80.7%	69.8%	71.0%
UK Ethnic Minority Groups	11.9%	12.0%	10.7%	12.4%	15.6%
Did not wish to provide	4.9%	6.0%	8.6%	17.8%	13.4%
GENDER					
Male	26.6%	24.7%	20.3%	22.6%	23.3%
Female	73.4%	75.3%	78.6%	76.7%	76.0%
Non-binary	0.0%	0.0%	1.1%	0.7%	0.7%
STATUS					
Part-time	32.9%	26.0%	26.9%	32.7%	33.2%
Full-time	67.1%	74.0%	73.1%	67.3%	66.8%
DISABILITY*					
Yes	2.0%	2.7%	5.1%	5.5%	6.7%
No	98.0%	97.3%	89.9%**	94.5%	93.3%

* The Gallery was closed in 2020-21, 2021-22 and 2022-23 and reopened in June 2023

** 2022-23 – 5% of staff preferred not to say

Widening the diversity of our audiences

The Gallery aims to make the Collection and programme accessible to all and has worked over the past year to attract key target groups and widen diversity through programming and communications activity. Following on from reopening in June 2023, the Gallery continues to attract new audiences; 38% in 2024-25 had never visited before, and young people, 35% of visitors were under 35 years old (+4% volume year on year) and 15% were in family groups (+14% volume year on year). The Gallery also saw a significant increase in the number of visitors from UK ethnic minority groups (+78%), who made up 22% of visitors overall and a 10% increase in the number of visits from people in lower socio-economic groups (UK NS-SEC 5-8).

Culture

Another strand of the strategy was focused on nurturing a culture where all people feel valued and everyone is treated with respect. A key example of this is our continued work with the University of Leicester Research Centre for Museums and Galleries, with the overarching aim of the long-term project to deliver a more inclusive and accessible experience for visitors, staff, volunteers and the people the Gallery works with. Supported by funding from the Economic and Social Research Council, phase two of the project has included the development of the Inclusive Conversations toolkit to build capacity and confidence amongst NPG staff around leading-edge approaches to inclusion, ethics and co-production through curation, design and delivery of new displays, interpretation and public programmes that support the NPG to host inclusive conversations.

During the year, the Gallery continued to build on the legacy of the *Inspiring People* project to continue to increase the diversity of sitters and artists, telling the stories of how they have contributed to the history of Britain. This has been achieved through the use of displays and new acquisitions into the permanent Collection, many of which have been referenced throughout this report.

Environmental Sustainability

Sustainability is a priority for the Gallery's Ten Year Plan and is crucial to the delivery of the Gallery's mission. During the year the Gallery revised its Environmental Sustainability Statement to reflect the progress that had already been made into key initiatives, such as: lighting being switched to LED throughout the building, using FSC paper for all print and paper products, elimination of plastic bags used across retail, and movement towards digital ticketing rather than printed tickets. Another significant project during the year has been a full review of plant used to maintain environmental conditions across the building to determine how to identify how carbon emissions can be reduced, which has led to the development of a Heat Decarbonisation Plan for implementation in future years. This will be delivered with the support of funding to be received from 2025/26 from Salix as part of the Public Sector Decarbonisation Scheme, run by the Department for Energy Security and Net Zero.

We have also set out our commitment to developing an environmental sustainability strategy, supported by the newly established Environmental Sustainability Working Group which is comprised of colleagues from across the Gallery. In addition to supporting strategy development and implementation, this is a place to learn, share and inspire, enabling members to champion sustainability in their teams.

Other priorities for the year will include resource conservation, waste management, reviewing our travel policy, and to explore ways in which the Gallery can help raise awareness about climate change through our work with artists and other creatives.

Health and Safety Committee

The Gallery acknowledges its responsibility for, and commitment to, a management policy that ensures matters relating to health and safety for visitors, staff, and contractors receive due priority at all times. A Health and Safety Committee, which was re-constituted during this year, meets quarterly to support improvements in Health and Safety performance and the safety culture of the organisation through open communication with employee representatives.

A number of smaller capital projects have been undertaken during the year to maintain elements of the physical site. This included the replacement of the lift and the renovation of the Ondaatje Wing Lecture Theatre, involving new LED lights, refurbishment of the chairs and carpet and ensuring that the space is more accessible, including a refreshed path for wheelchair users onto the stage and additional space in the audience.

Future Developments

The Gallery has ambitious and forward-thinking plans for the future, with a particular emphasis on expanding access to our Collection beyond our Gallery wall, for example with the *Journeys with Mai* tour which commenced from May 2025 and an active loans programme.

We have an exciting future exhibitions programme for the 2025-26 financial year, featuring exhibitions such as *Jenny Saville: Anatomy of Painting*, *Cecil Beaton's Fashionable World* and *Lucian Freud: Drawing into Painting*, as well as our always popular *Taylor Wessing Photo Portrait Prize* and now titled *Herbert Smith Freehills Kramer Portrait Award*. As part of our fundraising strategy, we are continuing to work on building our community of supporters, including members, patrons and exhibition supporters. With the support of the NPG Company Ltd Board, the Gallery is also considering how to further monetise its successful commercial offer for Gallery visitors throughout the day and into the evening – linked to the exhibitions programme and Collection visits but also as a compelling destination for retail, hospitality and events.

With the new appointment of the Director of Curatorial and Collections, replacing the vacant Chief Curator role, the Gallery will be reviewing its Collections Development Policy and research strategy to maintain relevance, through celebrating and championing portraiture in all its guises to create connections with the nation's stories.

Another key focus for the year ahead will be the development of an environmental sustainability strategy. The Gallery will utilise the Salix funding to replace the gas boilers with heat pumps which will make a significant impact on the reduction of the Gallery's carbon footprint.

Performance indicators

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

Performance indicators

	Actual 2025 000s	Actual 2024 000s
<i>Access</i>		
Number of actual visits	1,601	1,552
Number of unique users visiting the website	5,400	5,500
<i>Audience profile</i>		
Number of visits by children under 16	115	95
Number of overseas visits	566	589
<i>Learning / outreach</i>		
<i>Children</i>		
Number of facilitated and self-directed visits to the museum by visitors under 18 in formal education	50	32
Number of instances of visitors under 18 participating in on-site organised activities	9	3.5
<i>Visitor satisfaction</i>		
Percentage of visitors who would recommend a visit	99	99
<i>Income generation</i>		
Exhibitions income (admissions and other exhibitions related income)	5,480	5,357
Trading net profit	1,239	221
Fundraising (including capital)	10,009	25,288
Ratio of Fundraising to Grant in Aid	1:1	2.3:1
<i>Regional engagement</i>		
Number of UK loan venues	51	22

1.6 million people visited the Gallery in 2024-25 (1.55m in 2023-24). The number of unique users visiting the website marginally decreased to 5.4 million in 2024-25 (5.5 million in 2023-24), which is expected as the Gallery reopened in 2023 and therefore received significant press coverage and online interest.

Sustainability

Operations & Sustainability

The National Portrait Gallery is deeply committed to the principles of environmental sustainability and responsibility. We recognise the threat of climate change on our work and as a Gallery about people, for people, we feel we have a role to play in addressing it. With this in mind, we are dedicated to working more sustainably in all aspects of our operations, minimising our environmental footprint and encouraging discussion around these important issues.

Our environmental ambitions are:

- Environmental footprint: We aim to work with partners in the heritage sector and beyond in responding to climate change and work towards reducing emissions, zero waste and avoiding pollution, aligning with Greening Government Commitments.
- Public Awareness: Within the framework of our vision, values and remit, we will explore ways in which we can help raise awareness about climate change and work with artists and creatives to highlight sustainability.

Management Role and Board Oversight

The Board of Trustees retains overall oversight of the Gallery's sustainability strategy and climate-related issues. The Board's Finance and Operations Committee has responsibility delegated to it for an annual review of the Gallery's Environmental and Sustainability Statement, which sets out the Gallery's commitment to the principles of sustainability and our targets for working towards achieving net zero emissions and increasing public awareness of the climate and ecological emergency.

The Director's Group retains executive oversight of the sustainability strategy and climate-related issues, with the Head of Estates and Operations holding day-to-day responsibility for this function. The newly established Environmental Sustainability Working Group, comprised of individuals across the Gallery, is responsible for supporting with the development and implementation of the Gallery's environmental sustainability strategy. The Head of Estates and Operations reports on the development of and progress against the Gallery's sustainability strategy and on any climate-related issues via the Working Group to the Director's Group and to the Finance and Operations Committee on a regular basis – quarterly for the former, annually for the latter.

Mitigating climate change: working towards Net Zero by 2050

Under the Climate Change Act 2008, the Government put in place legally binding carbon reduction targets of 35% by 2020 and net zero carbon emissions by 2050 compared to 1990 levels. The Gallery has been measuring and reporting emissions since 2014-15, and in line with the Financial Reporting Manual (FReM) guidance now uses 2017-18 as the baseline year.

Greenhouse Gas Emissions – Reducing Scope 1 and 2

In 2024-25, the Gallery's carbon emissions for Scope 1 and 2 show a 4.5% increase compared to the baseline year. Specifically, Scope 1 (Gas) emissions for 2024-25 total 793 tCO₂e, marking a 33% increase compared to the baseline year (596 tCO₂e). Scope 2 (Electricity) emissions for 2024-25 total 651 tCO₂e, reflecting a 17% decrease compared to the baseline year (786 tCO₂e). This results in a combined Scope 1 and 2 emissions of 1,444 tCO₂e for 2024-25, compared to 1,382 tCO₂e in the baseline year. Total Scope 3 emissions were 83 tCO₂e, including 30 tCO₂ business travel related emissions. Scope 3 reporting will be further defined with the support of the Environmental Sustainability Working Group during the next year to improve our data robustness and monitoring. The Gallery does not own any fleet vehicles.

The increase in energy consumption is primarily attributed to the Gallery operating year-round for the first time since the *Inspiring People* project. The project has introduced new equipment and operation shift that changed the use of space and increased heating demands.

To support the Gallery's sustainability goals, several capital works projects are currently underway, including submetering addition, heat decarbonisation initiatives, plant modernisation, Building Management System optimisation and LED light upgrades. These projects are designed to enhance energy efficiency, reduce carbon emissions, and ensure the Gallery stays on track to achieve its 2050 net zero target.

Waste minimisation & management

The Gallery's approach to waste management is guided by Article 4 of the EU Waste Framework Directive (the waste hierarchy of refuse, reduce, reuse, recycle, recovery, disposal).

Whilst overall production in waste has increased by 66% from the baseline year, due to the increased scale of the building since 2017/18 and it being the first full financial year of it being open post *Inspiring People*, the Gallery continues to attain its target of zero waste to landfill and has significantly increased its recycling levels. The Gallery continues to work with a full recycling service which allows the separation of glass, food, and mixed recyclables. The remaining waste is diverted to an incineration plant where it is used to generate electricity for the National Grid.

As part of the waste hierarchy, the Gallery continues to eliminate unnecessary waste by moving to digital ticketing and printing of postcards to limit wastage. Only FSC paper is used for all print and paper products produced by the Gallery. The Gallery also runs a print on demand service for Collection prints and t-shirts to reduce wastage. 100% of food waste is composted and processed in an anaerobic digester and the Gallery does not use single-use plastics in its cafes or restaurants. No plastic bags are used in the Gallery's shops and there has been a significant reduction in packaging especially plastics. Ecommerce orders use recycled packaging.

In the forthcoming year, the Gallery will be considering as part of its environmental sustainability strategy further actions to be taken to minimise waste and promote resource efficiency.

Finite resource consumption

Water consumption at the Gallery has increased by 22% compared to the baseline year, largely due to the Gallery operating for the first full year following the *Inspiring People* project. The increase in water usage aligns with the Gallery's return to full operational capacity and the increased demands of the expanded spaces. Finite resource consumption had significantly reduced post 2017-18, primarily as a result of the Covid-19 pandemic and the subsequent closure of the Gallery and its offices. With the reopening of the Gallery, there has been a gradual increase in resource consumption.

In line with our environmental sustainability strategy, we remain committed to conserving water and other finite resources across all aspects of our operations. Moving forward, the Gallery continues to prioritise resource conservation through training programmes and efforts to cultivate an environmentally responsible culture.

We were unable to track paper usage to the baseline year therefore it is not possible to report a percentage reduction since this date, however, we have tracked paper usage during this year and will be able to report on a reduction in paper usage for future years.

Business travel

In 2024-25, NPG staff travelled 88,942km on international flights, 76,587km of which were long-haul and 12,355km were short-haul, and 1,157km on domestic flights. For international travel distance travelled by economy class was 66,112km and 22,830km by business class.

As one of the actions of the Environmental Sustainability Working Group, they will be reviewing the Gallery's travel policies to ensure that lower carbon travel options to be considered first as an alternative to each planned flight.

Sustainable Procurement

Sustainable procurement remains a priority for the Gallery, championed by the Procurement department. With the recently established Environmental Sustainability Working Group, the Gallery is seeking to introduce training and guidelines to budget holders to ensure that sustainability is considered in specifications, briefs, scopes, contracts and KPIs, in addition to advice on how to score sustainability in procured goods and services. Initially this will be focused on high-impact sectors, such as construction and waste. The Gallery will continue to collaborate with our partners and suppliers in the future to minimise the environmental impact of our supply chain, integrating environmental and ethical considerations when choosing suppliers, contractors and services, and managing delivery of contracts.

Nature recovery and biodiversity action planning

Green space at the Gallery is limited however it actively works to preserve and enhance biodiversity within its external courtyard in the Learning Centre, in which large planters house a selection of plants that conform to the National Plant Specifications: Acer Palmatum 'Bloodgood', Hakonachloa macra, Asplenium scolopendrium and Anamanthele lessoniana.

Climate change adaption

Currently the Gallery does not have a climate change adaptation strategy, however it is to be considered especially with climate change featuring on the corporate risk register. For 2025-26, there will be a climate change risk assessment and subsequently an action plan to respond to the risks identified across the Gallery's estates and operations. Planning is already underway within some departments, however, this will need to be consolidated as part of an overall Gallery strategy.

Reducing environmental impacts from ICT and Digital

The ICT and Digital teams at the Gallery have contributed to reducing the Gallery's environmental impact during 2024-25 through a number of initiatives, including upgrading onsite printers to models that use less energy and streamlining media storage to reduce energy usage.

Sustainable Construction

The Gallery collaborates closely with its supply chain, and more particularly around construction by engaging with sustainable partners able to support us in our environmental sustainability journey. By working with companies with strong Corporate Social Responsibility (CSR) and Environmental, Social, Governance (ESG) credentials we are able to put sustainable construction at the heart of our activity linked to the built environment and maintenance of our estate. We also work with partners who are able to make recommendations to help us to reduce our carbon emissions and energy consumption.

Greenhouse Gas Emissions

		Base yr. 2017-18	2021-22*	2022-23*	2023-24*	2024-25	% change on base year
Greenhouse Gas Emissions (tCO2e)	Scope 1 & 2						
	Scope 1 (direct)	596	178	396	578	793	33%
	Scope 2 (indirect)	786	185	329	556	598	-24%
	Total scope 1 & 2	1,382	363	725	1,134	1,391	4%
	Scope 3						
	Business Travel Emissions	78	6	6	57	30	-62%
Energy Use (kWh)	Total scope 3	78	6	6	57	83	6%
	Total Scope 1 - 3	1,460	369	731	1,191	1,474	1%
	Electricity (renewable)	0	0	0	0	0	0%
	Electricity (non-renewable)	2,237,168	872,858	1,549,740	2,558,105	2,888,267	29%
	Gas	3,230,037	969,780	2,163,729	3,160,875	4,333,942	34%
	Total kWh	5,467,205	1,842,638	3,713,469	5,718,980	7,222,209	32%
Expenditure (£)	Total kWh per visitor	3	n/a	n/a	4	5	66%
	Electricity	213,859	152,559	267,880	694,380	603,610	182%
	Gas	63,906	32,367	90,135	166,463	239,902	275%
	Business Travel	10,766	9,316	33,986	21,511	34,352	219%
	Total Expenditure	288,531	194,242	392,001	882,354	877,864	204%

*Note that the Gallery was closed to the public in 2021-22 and 2022-23; usage increased in 2022-23 as environmental conditions were in place for the re-install. The gallery reopened to visitors in June 2023.

Finite Resources, Waste

		Base yr. 2017-18	2021- 22**	2022-23**	2023-24**	2024-25	% change on base yr.
Waste (tonnes)	Landfilled*	2.10	0.00	0.00	0.00	0.00	-100%
	Hazardous waste disposed	-	1.00	1.00	0.00	0.00	n/a
	Reused/recycled	23.10	41.00	8.00	8.00	106.81	362%
	Composted	22.50	2.00	1.00	4.00	11.7	-48%
	ICT waste recycled, reused and recovered (externally)	-	5.00	1.00	0.00	0.00	n/a
	Incineration with energy recovery	34.60	18.00	8.00	8.00	17.72	-49%
	Incineration without energy recovery	0.00	0.00	0.00	0.00	0.00	0%
	Total Waste	82.30	67.00	19.00	20.00	136.23	66%
Spend (£)	Total Waste	17,500	29,700	1,811	14,599	34,547	97%

*Landfill and Hazardous waste data has only been collected since 2016-17 and 2018-19 respectively

**Note that the Gallery was closed to the public in 2021-22 and 2022-23, and reopened in June 2023.

Finite Resources, Water

		Base yr. 2017-18	2021-22*	2022-23*	2023-24*	2024-25	% change on base yr.
Water use (m³)	Total scope 1 & 2	16,193	4,860	1,943	13,094	19,752	22%
	Total scope 2 litres per visitor	0.009	n/a	n/a	0.008	0.012	33%
Expenditure (£)	Water Supply	36,605	15,768	6,646	41,354	68,022	86%

*Note that the Gallery was closed to the public in 2021-22 and 2022-23, and reopened in June 2023.

Immunity from seizure

The National Portrait Gallery 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, the National Portrait Gallery 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 the National Portrait Gallery possesses a complete history of ownership between the years 1933 and 1945.

The National Portrait Gallery's Due Diligence Policy is published online as part of the Freedom of Information Publication Scheme on the Immunity from Seizure pages of the National Portrait Gallery's website. The National Portrait Gallery 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.

2024-25 works covered by Immunity from Seizure

Exhibition	Period from	Period to	Number of works
<i>The Time is Always Now: Artists Reframe the Black Figure</i>	22 February 2024	19 May 2024	6
<i>Francesca Woodman & Julia Margaret Cameron: Portraits to Dream in</i>	21 March 2024	16 June 2024	28
<i>Six Lives: The Stories of Henry VIII's Queens</i>	20 June 2024	8 September 2024	4
<i>Francis Bacon: Human Presence</i>	10 October 2024	9 January 2025	30
<i>Edvard Munch Portraits</i>	13 March 2025	15 June 2025	3
Total			71

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, the Gallery has delivered a surplus for the year.

The consolidated Statement of Financial Activities on page 60 shows total income of £32,709,000 (£46,919,000 in 2023-24). Of this amount, £649,000 (£500,000 in 2023-24) was applied to the capital programme, £2,204,000 (£16,520,000 in 2023-24) to Collection acquisitions and £nil (£nil in 2023-24) to Endowment Funds. The remaining £29,856,000 (£29,899,000 in 2023-24) was applied to ongoing operations (see expenditure below).

The Gallery received £10,986,000 of Grant in Aid (£10,985,000 in 2023-24), provided through DCMS. Grant in Aid is made up of two elements:

- revenue grant used to support ongoing operations of £10,337,000 (£10,485,000 in 2023-24)
- capital expenditure grant used to support the purchase and maintenance of fixed assets of £649,000 (£500,000 in 2023-24)

The Gallery continues to supplement this grant from other sources and self-generated income from trading and fundraising amounted to £21,723,000 for the year (£35,934,000 in 2023-24). The fall is due to fundraising activity which raised £15,335,000 towards the £25m joint acquisition of *Mai (Omai)* by Joshua Reynolds with Getty in 2023-24.

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 60 shows total expenditure of £28,786,000 (£29,384,000 in 2023-24). Of this amount £2,077,000 (£3,051,000 in 2023-24) was applied to the capital programme, and £26,653,000 (£26,304,000 in 2023-24) was applied to ongoing operations.

The consolidated Statement of Financial Activities on page 60 also shows that in total during 2024-25, the Gallery increased restricted funds by £4,914,000 (£2,933,000 decrease in 2023-24), increased unrestricted funds by £419,000 (£3,649,000 decrease in 2023-24) and decreased endowment funds by £12,000 (£233,000 decrease in 2023-24). The movement in restricted and unrestricted funds includes a gain on revaluation of £769,000 (loss of £2,365,000 in 2024). Over the past year, the Gallery has added works of art valued at £2,010,000 to the Collection (£26,106,000 in 2023-24). Of this figure, £1,851,000 has been donated by individuals either directly or in lieu of tax (£350,000 in 2023-24). Funding for purchased works of art has come from many sources, including donors and self-generated income.

Reserves and funds carried forward of £178,978,000 (£173,657,000 in 2023-24) are:

<u>Reserves</u>	2025	2024	2023
	£000	£000	£000
Revaluation reserve	35,125	34,137	35,818
Capital reserves	60,911	62,263	60,188
Works of art reserves	67,040	65,030	38,924
General reserve	6,556	5,748	5,297
Endowment funds	1,637	1,649	3,294
Other restricted reserves	7,709	4,807	14,646
Other designated reserves	-	23	-
Total Reserves	178,978	173,657	158,167

For more details on reserves, please refer to note 18.

Fixed assets

The Board of Trustees holds the freeholds of the Gallery and land at Saint Martin's Place, London.

Additions to tangible fixed assets during the year of £715,000 (£5,590,000 in 2023-24) comprise £715,000 (£927,000 in 2023-24) on plant and machinery and other assets. There were no additions to land or freehold building assets. A desktop revaluation of the Trustees' land, the Orange Street offices and Portrait Pavilion property holdings was undertaken at 31 March 2025 by Montagu Evans, independent property consultants. This valuation was on the basis of the existing use of the buildings and reflects market values in central London. Gallery plant and buildings were revalued using an index (see notes 1 and 10 to the accounts). These valuations resulted in an overall revaluation gain of £769,000 (see note 10).

Additions to intangible assets acquired during the year were £228,000 (£252,000 in 2023-24).

Heritage assets comprise works of art; additions of £2,010,000 in the year (£26,106,000 in 2023-24) include items donated, bequeathed or given in lieu of tax to the National Portrait Gallery with an approximate value of £1,851,000 (£350,000 in 2023-24). All works of art acquired during the year have been capitalised in accordance with section 34 FRS102, as detailed in note 11.

Subsidiary undertakings

The results of the National Portrait Gallery's trading subsidiary are summarised in note 22 to the financial statements.

Payment of creditors

The National Portrait Gallery aims to settle all bills within 30 days or in accordance with the suppliers' terms of business. In 2024-25 69% (72% in 2023-24) of invoices were settled in 30 days or less.

Going Concern

The Trustees are required to confirm that it is appropriate for the National Portrait Gallery to adopt the going concern principle in preparing its accounts.

The Trustees have reviewed budgets, forecasts, and anticipated Grant in Aid receipts, and together with considering the potential impacts on its financial position from both internal and external risks, have concluded there is a reasonable expectation that the Gallery has adequate resources to continue in operational existence for a period of at least 12 months from the date that the accounts are approved. The Trustees are not aware of any legislative changes to the Gallery's functions or funding mechanism as set out in the *Museums and Galleries Act*, 1992. The Gallery therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Reserves policy

The Trustees review the reserves held annually, with reference to guidance from the Charity Commission. 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. In light of the uncertain environment under which the Gallery is operating and the need for the Gallery to have flexibility in utilising reserves to best manage the position, the Trustees have introduced a range of outcomes to the targeted level of reserves.

The Trustees consider that under normal operating conditions, in order to allow efficient financial management and to provide a buffer to give some assurance against interruption to the charitable activities, the Gallery should maintain a general reserve between three and six months' worth of unrestricted charitable expenditure, with a target of no less than four months.

At the year end the reserves under consideration in respect of the reserves policy were £6,556,000 (£5,748,000 in 2023-24), equivalent to four months' (three months in 2023-24) worth of unrestricted charitable expenditure, which is within the target range of three to six months' expenditure, which the Trustees consider appropriate under normal operating conditions.

Investments

The Investment Committee monitors the performance of the investment portfolio. The National Portrait Gallery's investment managers ensure that all investments are suitable under the Standard Investment Criteria of the Trustee Act 2000. The Gallery holds two funds: The Master Portfolio/Heinz Archive Fund (long-term investments) and the Investment & Contingency Fund (short-term investments).

The objectives of the investment strategy are:

- (i) For funds required for liquidity purposes, to preserve capital in real terms with some modest potential for growth in purchasing power and,
- (ii) For longer term funds to grow the real value of the investment capital on a total return basis after deduction of annual spend, commensurate with predetermined risk and liquidity parameters.

Performance during the year was marginally lower than target for both types of fund, largely due to the higher than normal levels of cash being held in the funds at the beginning of the year.

Long-term investments

The Master Portfolio is a collective investment scheme, created by Partners Capital, which invests across a range of asset classes and securities (which may include investments in other collective investment schemes). During the year, the Investment Committee agreed that a greater proportion of the Portrait Fund should be considered as long-term investments and allocated to the Master Portfolio.

The income and capital relating to the Heinz Archive fund are ring-fenced, leading to its classification as a fixed asset investment. The annual income from the Heinz fund will support the core activities of the Heinz Library & Archives.

At 31 March 2025, the Master Portfolio/Heinz Archive fund was valued at £2,663,000 (£2,200,000 in 2023-24).

Short-term investments

Current investments consist of the Investment and Contingency Fund (I&CF) and the non-Master Portfolio elements of the Portrait Fund. The investments are held for the purposes of producing a return, but the Gallery considers that they should remain highly liquid and available at short notice if required.

At 31 March 2025, short-term investments are valued at £12,036,000 (£12,635,000 in 2023-24). Of this balance, £2,924,000 relates to unrestricted reserves. The rest relates to the remainder of the Portrait Fund and the DCMS *Inspiring People* loans (see note 16).

The National Portrait Gallery's investment managers, Partners Capital LLP advise on the investment strategy required to meet the objective. Fund performance is measured against agreed benchmarks, and an asset profile is agreed for each fund. Rebalancing of the portfolio is agreed at Investment Committee meetings in response to market conditions.

Fundraising

The Gallery's Development team has an exceptional reputation in the sector for fundraising professionally, responsibly and sensitively. Partnerships and donations are considered in line with our statutory obligations and charitable aims and our Grants and Donations Policy is reviewed regularly by the Board of Trustees.

The Fundraising Team has delivered on its objectives during this year which included generating support for our exhibitions programme and our acquisitions fund whilst also building our already strong base of Patrons and Members, as outlined in the review of activities section.

The National Portrait Gallery follows the regulation scheme established by the Fundraising Regulator, which sets the standard of fundraising activity in the UK, and complies with the Code of Fundraising Practice. Feedback from supporters on how we could improve is taken seriously, and we are pleased to report that during the year there were no failures of compliance and the Gallery received no complaints about its fundraising activities.

The Gallery operates its fundraising activities largely on a one-to-one basis with supporters and partners. Our activities are actively monitored through reviews and assessments to ensure our activities are not excessive or intrusive and that the individuals we contact do not feel under any undue pressure to donate. The Gallery protects vulnerable people and other members of the public from unreasonable intrusion, in that it does not cold call, operate telephone fundraising, street fundraising or undertake mass direct marketing campaigns. The Gallery's CRM system enables it to monitor approaches and ensure no one experiences multiple approaches or solicitations which might place pressure on them to give money. Our members are all individuals who have actively agreed to engage with the NPG and we regularly engage with our members as a group.

Fulfilment of Museums and Galleries Act Aims

The National Portrait Gallery's fulfilment of the *Museums and Galleries Act 1992* aims is best reflected by its expenditure on charitable activities. Charitable activities expenditure is broken down into three main areas: 'Extending & broadening audiences', 'Developing the Collection', and 'Increasing understanding & engagement with the Collection', with a total expenditure of £22,171,000 (2023-24: £22,596,000). Overall, 77% of expenditure (2023-24: 77%) is spent on charitable activities. Gallery activity comprises all those costs associated with the public programmes of the Gallery 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 Gallery's Collection; this includes conservation, art handling, photography and acquisitions related expenditure.

Social policy and wider public benefit

The Board of Trustees believes that the Gallery meets the public benefit requirements as set out in the duty in Section 17(5) of the Charities Act 2011, and they confirm that they have taken into account the guidance contained in the Charity Commission's general guidance on public benefit where applicable.

Auditors

Under statute, the Comptroller & Auditor General is the auditor of the Gallery's accounts for the year 2024-25. The audit fee in respect of this work was £72,000 (£68,000 in 2023-24). The National Audit Office did not provide any non-audit services. PKF Littlejohn LLP is the auditor for the National Portrait Gallery Company Limited and the audit fee in respect of their work was £13,500 (£13,000 in 2023-24).

Signed



Victoria Siddall
Director, the National Portrait Gallery

14 July 2025

Signed



David P J Ross
Chair of the Board of Trustees, the National Portrait Gallery

14 July 2025

Advisers

The principal address for the Board of Trustees of the National Portrait Gallery is:

The National Portrait Gallery
Saint Martin's Place
Charing Cross
London
WC2H 0HE

Auditors

Gallery

Comptroller and Auditor
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National Audit Office
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London
SW1W 9SP

Gallery Subsidiary

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E14 4HD

External Advisors

Bankers

National Westminster Bank
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London
WC2H 5JB

Investment Advisors

Partners Capital LLP
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Internal Auditors

Forvis Mazars LLP
Tower Bridge House
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E1W 1DD

Solicitors

Farrer & Co LLP
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Remuneration Report

This section sets out the Gallery's remuneration policy for directors, how it has been implemented and sets out the amounts awarded to directors and where relevant the link between performance and remuneration. The Chairperson and Board of Trustees neither received nor waived any remuneration or expenses for their services during the year.

Policy on the Remuneration of the Director

The Remuneration Committee, advising on contractual terms and remuneration for the Director, is made up of the following Trustees: David Ross, Professor Shearer West CBE, Roger Blundell, the Rt Hon Chris Grayling PC, and Sir Peter Stothard. For the purposes of this report, the term Director refers to the Director of the Gallery during this period, Dr Nicholas Cullinan OBE (Director to May 2024), Michael Elliott (interim Director), and Victoria Siddall (current Director).

Annual pay increases for the Director who comes under the scope of the Committee are determined as set out in the Director's employment contract, taking into account external market comparisons. Performance pay is determined on the basis of an assessment of the Director's performance against agreed objectives.

The Director is a member of the Principal Civil Service Pension Scheme (PCSPS) with associated redundancy and retirement conditions.

The Director is a permanent employee of the National Portrait Gallery, with a notice period of six months. Termination payments are in accordance with the Gallery's contractual terms.

Senior Directors

The National Portrait Gallery is required to prepare a remuneration report containing certain information about the directors' remuneration as a result of the Accounts Direction from DCMS which required the Gallery to follow the FReM. '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.

The Director, as Accounting Officer, has decided that this requirement encompasses the posts listed below, whose emoluments and pension details are disclosed. The National Portrait Gallery considers that no other key management personnel details need to be disclosed under this guidance for 2024-25.

The following paragraphs, marked '(audited)', within the Senior Directors' section of the Remuneration Report have been subject to audit.

Remuneration Breakdown (audited)

	2024-25					2023-24 (restated)			
	Salary band (excluding non- consolidated performance- related pay) £000	Remuneration actually paid £000	Non- consolidated performance pay and bonus £000	Pension benefits* (to the nearest £1,000) £000	Total remuneration £000	Salary (excluding non- consolidated performance pay) £000	Non- consolidated performance pay £000	Pension benefits* (to the nearest £1,000) £000	Total remuneration £000
Dr Nicholas Cullinan OBE, Director (to May 2024)	145-150	25-30	-	9	30-35	145-150	15-20	92	255-260
Ros Lawler, Chief Operating Officer (to May 2024)	100-105	10-15	-	42	50-55	100-105	10-15	40	150-155
Michael Elliott, Interim Director (May-October 2024)	145-150	70-75	-	-	70-75	-	-	-	-
Victoria Siddall, Director (from October 2024)	145-150	60-65	5-10	24	90-95	-	-	-	-
David Glassey, Chief Financial Officer (from March 2024)	100-105	100-105	-	-	100-105	-	-	-	-

* The value of pension benefits accrued in the Alpha scheme 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. The value of benefits accrued in the partnership scheme is the amount paid by the Gallery into the scheme. There were no non-cash benefits paid to any senior staff in 2024-25 (2023-24 : none).

No NPG staff received any benefits in kind during 2024-25 or 2023-24.

David Glassey was deemed to be a Director of the NPG from 1st April 2024 due to the departure of the COO, therefore no remuneration is shown for 2023-24.

The 2023-24 Annual Report and Accounts omitted the accrued Director's pension benefits due to an unforeseen delay in calculations following the public service pension remedy implementation. These figures became available post-publication, resulting in a restatement of the 2023-24 figures to include them.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce, which are disclosed in the table below. The total remuneration of the highest-paid director in the National Portrait Gallery in the financial year 2024-25 was £175,000-£180,000 (£255,000-£260,000 in 2023-24), and £150,000-£155,000

(£165,000-£170,000 in 2023-24) excluding pension benefits. This was 4.5 times (5.1 in 2023-24) the median remuneration of the workforce. The change in the pay ratio between 2023-24 and 2024-25 is due to the previous Director being awarded an increased remuneration package in 2023-24 due to the successful completion of the *Inspiring People* project. In 2024-25, nil employees (nil in 2023-24) received remuneration in excess of the highest-paid director. Remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind where applicable. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Pension Breakdown (audited)

	Accrued pension at pension age at 31 Mar 25 £'000	Real increase/ (decrease) in pension at pension age £'000	CETV at 31 March 2025 £'000	CETV at 1 April 2024 or start date £'000	Real Increase/ (decrease) In CETV £'000
Dr Nicholas Cullinan OBE, Director (to May 2024)					
Pension	20-25	0-2.5	409	397	5
Lump sum	-	-	-	-	-
Ros Lawler, Chief Operating Officer (to May 2024)					
Pension	15-20	0-2.5	294	249	31
Lump sum	-	-	-	-	-
Victoria Siddall, Director (from October 2024)					
Pension	0-5	0-2.5	19	0	14
Lump sum	-	-	-	-	-

Dr Nicholas Cullinan OBE, Ros Lawler and Victoria Siddall are members of the Civil Service defined benefit pension scheme. Michael Elliott was not a member of a pension scheme and David Glassey is a member of the Civil Service Partnership (defined contribution) scheme, the cost of which was £19,000 for 2024-25.

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 the 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 payment is a payment made by a pension scheme or arrangement to secure 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. CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance has been used in the calculation of 2024-25 CETV figures.

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 National Portrait Gallery, who hold overall responsibility for the National Portrait Gallery, are not remunerated.

Percentiles (audited)

	2024-25			2023-24		
	25 th percentile/pay ratio	Median pay ratio	75 th percentile/pay ratio	25 th percentile/pay ratio	Median pay ratio	75 th percentile/pay ratio
Highest paid director's total remuneration band (excluding pension benefits)	£150,000-£155,000			£165,000-£170,000		
Employee total remuneration	£29,905	£35,864	£43,725	£27,602	£32,200	£41,949
Employee salary	£28,808	£33,374	£41,689	£27,352	£31,480	£41,000
Ratio (total remuneration)	5.2	4.5	3.6	6.0	5.1	3.9

The table below shows the percentage change for salary, other benefits (excluding pension) and bonus for the highest paid Director and the average salary of NPG's employees (based on total full-time equivalent total reward for the relevant financial year).

		Salary	Performance Pay	Bonus
Change from 2023-24 to 2024-25	Highest paid Director	(2%)	(66%)	0%
	NPG Employees	(3%)	0%	(100%)

The average salary of NPG employees has decreased year-on-year; however existing employees were awarded a pay rise of 4% in November 2024. The decrease in average salary reflects a high number of vacancies in the Director's Group during 2024-25.

The Board of Trustees of the National Portrait Gallery, who hold overall responsibility for the National Portrait Gallery, are not remunerated. No compensation for loss of office was paid to Board members during the year. Expenses paid are disclosed in note 8 to the accounts.

Staff numbers (audited)

NPG staff	2024-25	2023-24
Employees	237	225
Other staff (includes agency/temporary staff)	96	78
Total	333	303

The staff turnover percentage for 2024-25 was 17% (24% in 2023-24).

The following disclosures are not subject to audit.

Sickness absence data

The average number of days absent through sickness per full-time equivalent staff member was 4.2 days in 2024-25 (3.2 in 2023-24).

Off-payroll engagements

As a result of the Accounts Directive from DCMS the National Portrait Gallery follows guidance per the Financial Reporting Manual (FReM) 1. As of March 2025, there were 6 off payroll engagements for more than £245 per day and that lasted longer than six months (12 in 2023-24), as illustrated in the table below.

Board members and senior officials with significant financial responsibility

A total of 11 officials held positions of senior financial responsibility during the year (see Director's Group page 49). No Board members exercised significant financial responsibility. No officials with senior financial responsibility were employed off-payroll during the year.

Highly paid off-payroll worker engagements as at 31 March 2025, earning £245 per day or greater

Number of existing engagements as of 31 March	2025	2024
Of which, that existed:		
For between 6 months and 1 year	0	3
For between 1 and 2 years	1	1
For between 2 and 3 years	1	1
For between 3 and 4 years	1	-
For 4 or more years	3	7

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater

No. of temporary off-payroll workers engaged during the year ended 31 March	2025	2024
Of which:		
Not subject to off-payroll legislation	79	59
Subject to off-payroll legislation and in-scope of IR35	-	-
Subject to off-payroll legislation and out-of-scope of IR35	17	19
No. Of engagements reassessed for compliance or assurance purposes during the year	-	-
Of which: no. Of engagements that saw a change to IR35 status following review	-	-

Expenditure on Consultancy

During 2024-25, the National Portrait Gallery spent £216,559 (£209,952 in 2023-24) on consultants. These costs primarily relate to expert advice or assistance on areas such as tax and IT.

Staff policies applied during the financial year

The Gallery is dedicated to encouraging a supportive and inclusive culture. The Gallery's Equality & Diversity and Recruitment policies are published on our website*.

Staff policies applied:	
For giving full and fair consideration to applications for employment by the company made by disabled persons, having regard to their particular aptitudes and abilities.	<ul style="list-style-type: none"> - The NPG is a signatory of the Disability Confident employer scheme, which encourages employers to think differently about disability and take action to improve how they recruit, retain and develop disabled people - All new employees complete a health check and the Gallery's People and Culture team request permission from the new starter to discuss any disability with their manager, assessing what support or reasonable adjustments they require to perform their job
For continuing the employment of, and for arranging appropriate training for, employees of the company who have become disabled persons during the period when they were employed by the company.	<ul style="list-style-type: none"> - As set out in the Gallery's Equality & Diversity policy, the NPG is committed to providing equality and fairness to all employees and to not provide less favourable facilities or opportunities on the grounds of disability - People and Culture and/or an employee's line manager can recommend an Occupational Health referral to understand if there is a need for reasonable adjustments or additional support and training

	<ul style="list-style-type: none"> - A risk assessment can be conducted to identify any areas for improvement which may otherwise cause harm
Otherwise for the training, career development and promotion of disabled persons employed by the company.	<ul style="list-style-type: none"> - All employees have access to SkillGate, the Gallery's e-learning platform, containing over 100 courses that contribute to professional development - The Engagement survey from January 2024 will be reviewed to assess our strategy and overall approach to EDI culture within the Gallery. 74% of employees that completed the survey scored highly and agree the Gallery is dedicated to promoting equality and diversity. This is an increase from 52% in the previous survey that was administered in June 2023 - The Gallery is taking part in a Research Program with the University of Leicester. This opportunity to work with the University will allow us to undertake an analysis of the needs of the organisation with a cross-functional working group of individuals from across the Gallery. Not only will the Gallery benefit from implementing an EDI related program/training based on our needs this will also serve as a learning opportunity for the core working group to work and learn from externals that have implemented projects with other organisations across the sector - The People and Culture team will continue to facilitate establishing a culture of inclusivity through reviewing the tools and training provided to leaders this fiscal year, this includes: <ul style="list-style-type: none"> o Developing a module on EDI in our leadership development program planned to launch in September o Recruitment training tools and briefing presentation will be updated

* Equality & Diversity policy: <https://www.npg.org.uk/about/corporate/gallery-policies/equality-policy>
Recruitment policy: <https://www.npg.org.uk/about/corporate/gallery-policies/recruitment-policy>

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.

Relevant union officials

	2024-25	2023-24
Number of employees who were relevant union officials during the relevant period	3	3

Percentage of time spent on facility time

Percentage of time	2024-25 Number of employees	2023-24 Number of employees
0%	-	-
1-50%	3	3
51%-99%	-	-
100%	-	-

Percentage of pay bill spent on facility time

	2024-25	2023-24
Total pay bill (wages + ER NI +ER Pension)	£3,955	£913
Percentage of facility time against total pay bill	0.04%	0.01%
Time spent on paid trade union activities as a percentage of total paid facility time hours	1.68%	0.46%

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 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 the National Portrait Gallery and of its net incoming resources and net movement in funds and cash flows for the financial year.

In preparing the National Portrait Gallery accounts the Board of Trustees and Director, as Accounting Officer, are 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 and statements of recommended practice 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 the National Portrait Gallery will continue its operation.

The Accounting Officer for the DCMS has designated the Director as the Accounting Officer for the National Portrait Gallery. Their relevant responsibilities as Accounting Officer, including their responsibility for the propriety and regularity of the public finances for which they are answerable and for the keeping of proper records and for safeguarding the National Portrait Gallery'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. They confirm that as far as they are aware there is no relevant audit information of which the auditors are unaware. '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



Victoria Siddall
Director, the National Portrait Gallery

14 July 2025

Signed



David P J Ross
Chair of the Board of Trustees, the National Portrait Gallery

14 July 2025

* a copy of which is available from: The Accounting Officer, the National Portrait Gallery, St Martin's Place, London, WC2H 0HE

GOVERNANCE STATEMENT

Introduction

The National Portrait Gallery (the Gallery) is an executive non-departmental public body (NDPB) sponsored by the 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 Culture, Media and Sport for charity law purposes. The Gallery's management agreement for the period 2016-2020 sets out the governance framework within which the Gallery operates. The agreement continues to remain in place until it is superseded by the Framework Document.

The Governance Framework

The Gallery is governed by a Board of Trustees in accordance with the provisions of the *Museums and Galleries Act*, 1992. The Board of Trustees is a body corporate which acts collectively to safeguard and to promote the Gallery and its collections in the best interests of the public. The Board is responsible for providing strategic leadership and oversight.

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 management and administration of the Gallery to the Director, currently Victoria Siddall, who is responsible to the Board for the general exercise of its functions, and as the Gallery'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 the Gallery is directed and controlled. It enables the Board to monitor progress against the Gallery's strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective activities. It also ensures accountability.

Operation of the Board of Trustees and Board Sub-committees

As at March 2025, the Board consists of fifteen Trustees as set out in the Act, who meet quarterly. There are two ex-officio positions on the Board, and the remaining thirteen Trustee roles are appointed to by the Prime Minister, on the recommendation of the Secretary of State for Culture, Media and Sport with oversight by the Commissioner for Public Appointments following a transparent public appointment process which follows the Government's Governance Code for Public Appointments. In addition, the Gallery may also appoint independent co-opted Trustees. Clive Humby OBE was appointed as a co-opted Trustee in April 2024 and fulfils the role of Chair of the National Portrait Gallery Company Board. Robert Suss was appointed as a co-opted Trustee in June 2024, however has subsequently been appointed by the Prime Minister as a full Trustee in April 2025.

Trustees are usually appointed for a term of four years and may be reappointed for a further term. Trustees elect a Chair from among their number.

The induction process for Trustees includes meetings with the Chair of the Board, Gallery Directors and senior staff and, where relevant, the Chairs of the Board's Committees. As part of their induction, Trustees receive information about the Gallery as well as the role and responsibilities of the Board and individual Board members. This is supplemented by an introductory pack containing key documents and publications including the Governance Handbook, the most recent Annual Report and Accounts and the Gallery's strategic plan. Appropriate training and ongoing support is also available, depending on need and the interests of the Trustee.

The Board of Trustees is required to follow the principles established by the Nolan Committee all public bodies are expected to adhere to; 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 updated throughout the year as new interests arise. It is formally reviewed by the Audit and Risk Committee and the Board of Trustees at the end of each financial year and is publicly available upon request.

In performing their role, Trustees are expected to provide critical commentary on the current activities of the Gallery and to determine its overall direction for the future. Outside Trustee meetings, they will make themselves available for consultation and specialist advice, whenever appropriate, as well as acting externally as advocates for the Gallery and assisting in the processes of fundraising.

The Board has a detailed forward-looking agenda which enables Trustees to understand, contribute to and consider a wide range of matters that may influence or affect the Gallery's achievement of its mission and objectives.

The Board Secretariat ensures that Trustees receive timely information on all relevant matters prior to each Board meeting and, as applicable, sub-committee meetings. Board papers are circulated electronically one week prior to meetings, to ensure there is adequate time for them to be read and considered, and to facilitate focused, robust and informed discussions at meetings.

Delegation of authority and matters reserved to the Board

The Act provides for the establishment, constitution, functions and property of the Board of Trustees.

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;
- approval of all contracts over £250k;
- acquisitions of artworks for the Primary Collection;
- disposal of works from the Collection;
- formation and dissolution of subsidiary companies and sub-committees of the Board;
- appointments of the Chairs of the Board's sub-committees and of subsidiary directors;
- authorisation of signatories on behalf of the Board;
- approval of organisation-wide policies;
- appointment of the Director, with the approval of the Prime Minister;
- approval of the Gallery's Management Agreement with the DCMS;
- approval of sponsorships and donations; and
- approval of the Gallery's bankers.

The Board has established sub-committees to undertake its activities more efficiently, as set out below:

- Sub-Committees with delegated authority from the Board: Investment Committee; and
- Advisory Committees with no formal decision-making authority: Finance and Operations Committee, Ethics Committee, Audit & Risk Committee, Chair's Group, Curatorial Committee, Remuneration Committee.

Board/ Sub-Committee	Type	Remit
Board of Trustees of the National Portrait Gallery	Board	Discharges statutory duties under the <i>Museums and Galleries Act 1992</i> . The Board oversees the management of the Gallery, with the Trustees acting as guardians of the public interest. It approves policy and the strategic direction for the Gallery, leaving operational matters to the Director. The Board decides

		on all acquisitions and strategic resource allocations. It represents the Gallery externally, monitors the organisation's performance against its agreed objectives and targets, and ensures the stewardship of public funds.
Audit and Risk Committee	Board Sub-Committee	Considers the Gallery's internal control structure, internal and external audit risk, compliance with the regulatory environment and the statutory accounts.
Chair's Group	Board Sub-Committee	Advises on governance matters and succession planning for Trustees and Board Sub-committees.
Curatorial Committee	Board Sub-Committee	Advises on artistic, programming and curatorial matters.
Ethics Committee	Board Sub-Committee	Advises on potential donations and wider ethical and reputational issues referred to it for advice by the executive or the Board of Trustees.
Finance and Operations Committee	Board Sub-Committee	Considers the Gallery's budgets, financial performance and reserves along with operational areas such as HR, procurement, and estates.
Investment Committee	Board Sub-Committee	Reviews the performance of the Gallery's investment funds and advises on investment strategy.
Remuneration Committee	Board Sub-Committee	Advises on contractual terms and remuneration for the Director.

Membership and Attendance

The Board of Trustees*

During the year Robert Suss was appointed as a Trustee of the Board after serving as a Co-opted Trustee for a short period of time. Clive Humby OBE was appointed as a Co-opted Trustee and Victoria Siddall resigned from her role as Trustee in September 2024.

Trustees who served during the year and their attendance at meetings* are shown below:

- David Ross (Chair) – 4 of 4 meetings
- Roger Blundell – 4 of 4 meetings
- Dr Mark Cecil – 4 of 4 meetings
- Inaya Folarin Iman – 3 of 4 meetings
- The Rt Hon Chris Grayling MP – 4 of 4 meetings
- Marcus Harling – 4 of 4 meetings
- Rebecca Salter PRA (*ex-officio*) – 3 of 4 meetings
- Simon Sebag Montefiore – 3 of 4 meetings
- Sir Peter Stothard – 4 of 4 meetings
- Dr Rachel Wang – 4 of 4 meetings
- Professor Shearer West CBE – 4 of 4 meetings
- Jonathan Yeo – 4 of 4 meetings
- Blake Shorthouse – 3 of 4 meetings
- The Rt Hon Penny Mordaunt MP (*ex-officio*) – 0 of 2 meetings
- Victoria Siddall – 2 of 2 meetings
- Clive Humby OBE – 4 of 4 meetings
- Robert Suss – 3 of 3 meetings

* (attendance at those meetings Trustees were eligible to attend)

Board Sub-Committees

Membership and attendance* at meetings during 2024-25:

<p><i>Audit and Risk Committee</i> The Audit and Risk Committee met 4 times in 2024-25 (5 in 2023-24).</p> <ul style="list-style-type: none"> • Roger Blundell (Trustee, Chair) – 4/4 • Marcus Harling (Trustee) – 4/4 • Dr Mark Cecil (Trustee) – 4/4 • Tony Poulter (Co-opted Member) – 1/2 • Dr Peter Gist (Co-opted Member) – 4/4 • Anthony Lobo (Co-opted Member) – 2/2 	<p><i>Finance and Operations Committee</i> The Finance and Operations Committee met 5 times in 2024-25 (5 in 2023-24).</p> <ul style="list-style-type: none"> • The Rt Hon Chris Grayling PC (Trustee, Chair) – 5/5 • Roger Blundell (Trustee) – 5/5 • David Ross (Trustee) – 4/5 • Tony Poulter (Co-opted Member) – 1/2 • Dr Peter Gist (Co-opted Member) – 5/5 • Anthony Lobo (Co-opted Member) – 1/1 • Sarah Ryan (Co-opted Member) – 1/1
<p><i>Investment Committee</i> The Investment Committee met 2 times in 2024-25 (3 in 2023-24).</p> <ul style="list-style-type: none"> • Dr Mark Cecil (Trustee, Chair) – 2/2 • Anthony Brooke (Co-opted Member) – 2/2 • David Ross (Trustee) – 1/2 • Jeremy Sillem (Co-opted Member) – 2/2 	<p><i>Ethics Committee</i> The Ethics Committee met 4 times in 2024-25 (3 in 2023-24).</p> <ul style="list-style-type: none"> • Sir Peter Stothard (Trustee, Chair) – 3/4 • Sir Nicholas Blake (Independent Member) – 3/4 • Blake Shorthouse (Trustee) – 3/4
<p><i>Chair's Group</i> The Chair's Group met 4 times in 2024-25 (3 in 2023-24).</p> <ul style="list-style-type: none"> • David Ross (Trustee, Chair) – 4/4 • Roger Blundell (Trustee) – 4/4 • The Rt Hon Chris Grayling PC – 3/4 • Sir Peter Stothard (Trustee) – 4/4 • Professor Shearer West CBE (Trustee) – 4/4 	<p><i>Remuneration Committee</i> The Remuneration Committee met 2 times in 2024-25 (0 in 2023-24).</p> <ul style="list-style-type: none"> • David Ross (Trustee, Chair) – 2/2 • Roger Blundell (Trustee) – 2/2 • The Rt Hon Chris Grayling PC – 2/2 • Sir Peter Stothard (Trustee) – 2/2 • Professor Shearer West CBE (Trustee) – 2/2
<p><i>Curatorial Committee</i> The Curatorial Committee met 6 times in 2024-25 (4 in 2023-24).</p> <ul style="list-style-type: none"> • Professor Shearer West CBE (Trustee) – 5/6 • Sir Peter Stothard (Trustee) – 6/6 • Jonathan Yeo (Trustee) – 6/6 • Simon Sebag Montefiore – 4/6 • Dr Rachel Wang – 6/6 	

* (fractions reflect attendance at eligible meetings)

Board and Sub-Committee Business in 2024-25

The Head of Governance, with input from the Chair and the Director's Group, prepares an annual programme of business for the Board to ensure appropriate subject matters are covered at the appropriate times during the year, along with sufficient time allocated for in-depth discussions by the Trustees. This annual programme aligns to the annual programme for sub-committee and Director's

Group meetings ensuring consistency and fluid reporting to the Board and that meeting agendas further the Gallery's strategic priorities.

The Board of Trustees

Discussions were also focused during this period on the development of the Gallery's future strategic plans for the next ten years, which further build on the extraordinary success of the major transformation project with future initiatives linked to membership, sustainability and commercial strategy. Board activity also included focused discussions on ensuring the Gallery's financial sustainability in response to external factors such as funding, inflationary costs, and fluctuating visitor numbers compared to pre-pandemic trends.

Other key strategic issues and routine business planning considered by the Board included:

Strategic Matters	<ul style="list-style-type: none">• The Gallery's income generation strategy;• The Gallery's fundraising strategy, to include Membership;• Acquisitions and future commissions in the context of the Collections Development Strategy;• The Gallery's 10 Year Plan for 2024-2034.
Operational Matters	<ul style="list-style-type: none">• Current and forward budgets, management information, performance against agreed KPIs and the development of the forward business plan;• Updates on operational performance including performance across visitor numbers, commercial revenue, fundraising and press reviews; and• Collections management updates.
Governance, assurance and risk	<ul style="list-style-type: none">• The audited accounts and Annual Report;• Scheme of Delegation;• The draft Framework Document with the DCMS;• Policy reviews: Modern Slavery Policy, Risk Management Policy, Finance Policy, Loans Out Policy, Health and Safety Policy, Environmental Sustainability Statement, and Code of Practice in Research;• The annual Research, People and Culture and Information Governance reports;• Corporate risks and mitigation plans;• The appointment of members to the Board Committees;• The annual review of the terms of reference for the Board Committees;• Reports on the work of the various Board Committees.

Minutes of Board meetings, with relevant exemptions applied under the *Freedom of Information Act*, 2000 are published on the Gallery's website as part of the Publication Scheme.

Board Sub-Committee reports 2024-25

An important part of the Gallery's accountability and assurance framework during the period was the role played by each of the Board's sub-committees.

During 2024-25, the Audit and Risk Committee, Finance and Operations Committee, Curatorial Committee, Ethics Committee, Chair's Group, and the Investment Committee all considered issues of strategy and planning and governance and risk, including reputational risk.

The Audit and Risk Committee covered items of business including the risk register, business continuity planning, cyber security and information governance arrangements, risk management

strategies, fraud action plan, internal audits and external audit reports so that Committee members could assure themselves of the appropriate management of the Gallery's affairs. The Audit and Risk Committee also scrutinised the statutory accounts and Annual Report before recommendation to the Board.

The Finance and Operations Committee advised the Board on the budget, management information, staffing plans, cash flows, and reserves. The Committee also covered items of business relating to estates and operations, HR, security, health and safety and procurement.

The Ethics Committee scrutinised and advised the Board on current and prospective corporate sponsorships and support from individuals, international partnerships and other sources and the extent to which these complied with the provisions of the Gallery's Grants and Donations Policy.

The Chair's Group considered nominations to the Board's sub-committees, the skills audit, the Board effectiveness review, proposed revisions to key governance documents and the sub-committee structure. The Chair's Group also continued to oversee progress of the development of the Gallery's 10 Year Plan. In its additional role as Nominations Committee, the Chair's Group oversaw the Director recruitment process during this period.

The Curatorial Committee scrutinised and advised the Board on acquisitions and future commissions, research activities of the Gallery and policy reviews. The Committee also covered items of business relating to collections management and collection strategies.

The Investment Committee advised the Board on the investment policy statement and investment strategy, whilst monitoring the performance of the invested funds of the Gallery and the Portrait Fund in line with the objectives of the investment strategy.

Remuneration Committee business considered in 2024-25 is detailed in the Remuneration Report.

Board Effectiveness

The Board of Trustees had undertaken a self-assessment of its performance during 2023-24. The action plan which was agreed following this assessment was implemented throughout this period. To assess its performance for 2024-25, the Board commissioned an external review of its effectiveness which is established by the Cabinet Office as best practice. The review highlighted ways in which to further streamline information flow between the Board and its committees and the executive team and reinforced the importance of a focus on future skill requirements of the Board, particularly in light of the recruitment of the new Chair. Overall, the Trustees concluded that they were content with the Board's performance and the support available to it.

The Chair holds annual appraisal meetings with individual trustees to review their contribution to the Board. Additionally, the Chair's appraisal was conducted by the DCMS in May 2024 in line with current Cabinet Office guidance on ALB Chair appraisals.

Director's Group and the Senior Management Team

The Board has delegated responsibility for the implementation of its strategy and for operational matters to the Director, who has responsibility under the Board for the formulation and recommendation of strategy, and for the overall organisation, management and staffing of the Gallery.

During 2024-25, the interim Director of the Gallery was Michael Elliott from May 2024 to October 2024, after which Victoria Siddall was appointed as Director. The appointment of the Director is made by the Trustees with the approval of the Prime Minister. The Director is the Gallery's Accounting Officer. The Director is responsible for the overall leadership of the Gallery, its programmes of activities, the soundness of its finances, business and financial planning and its external

representation. The Director leads and chairs the Director's Group, which carries responsibility for developing the work of the Gallery, and debating and deciding on particular initiatives within the policies set by the Board. The Director's Group considers and agrees budgets and resource frameworks, as well as strategies and policies where there are resource implications for the Gallery. It is responsible for developing and implementing the Strategic and Corporate Plans, the Corporate Risk Register and monitors budgets and financial performance.

The Director's Group is supported by the Gallery's senior managers and heads of departments. Appropriate management structures have been put in place throughout the organisation to assist the Gallery's directors and senior managers with overseeing their respective departments and areas of responsibility.

Membership of Director's Group in 2024-25

Name	Job Title
Victoria Siddall	Director and Accounting Officer (from 28 October 2024)
Michael Elliott	Interim Director and Accounting Officer (from May 2024 to October 2024)
Dave Glassey	Chief Financial Officer
Sarah Hilliam	Director of Development
Liz Smith	Director of Learning and Engagement
Anna Starling	Director of Commercial and Operations
Denise Vogelsang	Director of Audiences
Rosie Wilson	Director of Programmes and Partnerships
Dr Nicholas Cullinan OBE	Director and Accounting Officer (left the Gallery in May 2024)
Ros Lawler	Chief Operating Officer (left the Gallery in May 2024)
Dr Alison Smith	Chief Curator (left the Gallery in May 2024)

Subsidiary undertakings

The main retailing, catering, publishing, rights & images and events activities of the National Portrait Gallery are carried out by the National Portrait Gallery Company Limited (company number 6015724), a company wholly owned by the Board of Trustees.

As well as the Directors of the Company, the Audit and Risk Committee reviews the performance of the Company, its annual report and accounts, the external auditors' audit strategy and Management Letter. This is done in order to obtain assurance over the activities of the subsidiary during the year. More information about the Gallery's trading subsidiary is summarised in note 22 to the financial statements.

Risk management

Risk management is a key component in Board and Director's Group decision making. The Risk Management Strategy and Policy, updated and agreed by the Audit and Risk Committee in October 2024, describes the National Portrait Gallery's approach to risk management and the process to be adopted by managers in its implementation. This Policy is consistent with the main principles of risk management set out in the HM Treasury's Orange Book: Management of Risk, with reference as appropriate to best practice guidance from the National Audit Office and risk management standards. The policy has been widely disseminated and implemented.

The policy sets out the roles and responsibilities for risk management, including those for the Trustees, Audit and Risk Committee and the Director's Group. The Trustees have responsibility for ensuring effective risk management processes are in place across the National Portrait Gallery and sets the risk appetite for the Gallery. The Director as the Accounting Officer is responsible for the

overall risk management framework and ensures that an appropriate risk culture is maintained across the Gallery. The Audit and Risk Committee supports the Board and the Accounting Officer in their responsibilities for issues of risk, control and governance. In particular, the Committee is responsible for reviewing the Gallery's risks, reviewing the controls in place to manage them, and monitoring its compliance with statutory requirements. The actual risk management processes are the responsibility of Gallery management and are embedded in the management process.

Risk is reported at department and Gallery-wide levels. Directors are responsible for maintaining a risk register for their department. The most significant risks facing the Gallery are detailed in the corporate risk register, which is reviewed by the Director's Group and the Audit and Risk Committee at least twice a year. The Committee reports to the Board of Trustees annually with regard to the effectiveness of risk management and as required on emerging issues relating to risk management.

The causes and effects of each risk are managed through a set of risk controls which focus on either preventing it from happening; reducing its likelihood; or minimising or transferring the impact. Typically the controls involve the development of mitigation strategies, plans, policies, processes, and systems. The delivery of the agreed actions is routinely monitored. Our risks are scored to reflect the potential likelihood and impact of the risk occurring, before the controls are in place and after the controls are in place. Each risk is assigned a risk owner and a risk appetite is determined, which represents the level of risk the Board is prepared to accept.

Risks are explicitly reviewed:

- as part of the annual planning and budget process;
- by the Audit and Risk Committee, consisting of Members of the Board of Trustees and independent members, which meets four times a year;
- at Director's Group meetings, with appropriate action being taken as necessary; and
- at a department level and acted upon where necessary.

As part of an annual cycle, the Audit and Risk Committee examines the corporate risk register through a series of deep-dives, considering in-depth reviews of the controls and assurances for each strategic risk.

The National Portrait Gallery Company Limited's risk registers are reviewed by the Directors of the Company.

At the National Portrait Gallery, 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; and
- Directors consider risk when assessing any major project and formally review significant risks before they are reviewed by the Audit and Risk Committee.

The most significant risks faced by the Gallery and considered by the Audit and Risk Committee in 2024-25 were as follows:

Significant risks

Risk	Mitigations:
Financial sustainability – risk to the operating model affected by inflationary costs, fluctuations in visitor numbers, and other external pressures linked to funding.	<ul style="list-style-type: none"> • Quarterly forecasting and close monitoring by Directors to deliver the 2024-25 plan • Prioritising of operational efficiency and self-generated income opportunities • Identification of fundraising opportunities to support with core costs • Close monitoring of attributable costs and financial contributions by activity
Staffing resource – risk of reduction in recruitment and retention of staff, loss of knowledge and skill from the organisation	<ul style="list-style-type: none"> • Internal communications to communicate key decisions and maintain staff engagement • Regular staff surveys, monitoring of retention levels and sickness levels • Reintroduction of permanent staff into new roles • Additional temporary staffing resource where budget allows to deal with short-term issues • Development of remuneration strategy • Review accommodation strategy
Infrastructure (physical estate) – risk of failure of physical infrastructure, or no longer fit for purpose	<ul style="list-style-type: none"> • Continue to liaise with DCMS on capital funding opportunities, i.e. PBIF and Invest to Save • Prioritise list of capital projects • Close monitoring of infrastructure performance and risk assess critical/single points of failure
Infrastructure (digital) – risk of failure of digital infrastructure, or systems no longer fit for purpose preventing innovation and efficiency	<ul style="list-style-type: none"> • Exploring opportunities to work with technology partners • Continue to liaise with DCMS on capital funding opportunities and to support with shared services across museums • Development of a digital strategy and a case for support to fundraise for digital infrastructure projects
Cyber security attacks – risk of attacks on museums and charities	<ul style="list-style-type: none"> • Development of three-year cyber security strategy, supported by Cyber Security Working Group • Internal communications and training strategy to promote cyber security awareness • Regular vulnerability scans and phishing simulations • Cyber security response plans
Geopolitical context – risk of increased scrutiny on museums in responding to complex social, political and environmental issues and on source of funds	<ul style="list-style-type: none"> • Due diligence processes in place with oversight from Ethics Committee • Project management processes in place to identify and address risks and potential mitigations early on
Visitor numbers – risk of decline in number of national and international visitors	<ul style="list-style-type: none"> • Marketing and ticketing strategies in place • Regular review and analysis of visitor numbers and visitor feedback • Embedding recommendations from external visitor research
Sustainability – risk of delivering change to meet environmental sustainability targets	<ul style="list-style-type: none"> • Development of strategy overseen by cross-departmental working group • Heat decarbonisation plan in place, funding provided to support with implementation • Collaboration with other museum sustainability officers to share best practice

Internal Audit

Risk management forms a key area of internal audit, underpinning the Annual Internal Audit Opinion. The Board of Trustees has contracted the internal audit service to Forvis Mazars, which operates to the standards defined in the Public Sector Internal Audit Standards.

Internal audit plays a vital role in providing independent assurance that there is an effective set of controls and compliance across the Gallery, especially in terms of financial management, risk management, and governance. The Internal Audit service and other external experts and specialists are utilised to provide an independent assessment of the effectiveness of our controls at all levels. The internal audit programme is set annually by the Audit and Risk Committee based on where the Gallery has identified an area of risk, new areas of activity, and by the wider risk landscape. The analysis of risk and internal audit plans are approved by the Audit and Risk Committee and internal audit reports, key findings and progress towards the implementation of recommendations is reviewed at each meeting. Internal audit work during the year looked at risk management, financial controls, workforce planning, cyber security, income generation and fundraising.

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 the Gallery's arrangements for governance, risk management and control, together with recommendations for improvement. Based upon the programme of work undertaken by internal audit during 2024-25, the Head of Internal Audit provided an opinion that the framework of governance and risk management is generally adequate and effective, but limited in respect of control. Of five assurance and advisory reviews and one follow up review completed, no unsatisfactory opinions were issued. In summarising the findings, these related to risk of control failures, in terms of documentation and procedure, rather than the absence of controls. Whilst the limited assurance opinion for control is disappointing, Trustees recognise that the internal audit programme was focussed on areas of higher risk following the re-opening of the Gallery in 2023 and are reassured by the actions being taken to address the weaknesses identified.

Risk Management and Internal Control

The systems of internal control are designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; they can therefore only provide reasonable and not absolute assurance of effectiveness. The systems of internal control are based on ongoing processes designed to identify and prioritise the risks to the achievement of the Gallery's aims and objectives, and to compliance with its policies, to evaluate the likelihood and impact of those risks being realised and to manage them efficiently, effectively and economically.

The above internal control systems have been in place for the year under review and up to the date of approval of the annual report and accounts.

Compliance with Governance Codes

The Gallery is a NDPB and a statutory charity. It is mindful of the Corporate Governance Code for central government departments and Trustees are content that the museum complies where appropriate. The Gallery is also mindful of the Charity Governance Code for Larger Charities.

Whistleblowing policy

The National Portrait Gallery's whistleblowing policy contains arrangements for reporting, in confidence, concerns about a wrongdoing or potential wrongdoing internally and to relevant external bodies. The arrangements are reviewed by the Audit and Risk Committee on a regular basis (date of last review April 2023) and the Committee confirms that appropriate processes are in place throughout the year to via its annual review to the Board. The policy is made available to all staff and is published on the Gallery's website. Any disclosures raised through these arrangements, and the

actions taken to investigate and resolve them, are reported to the Audit and Risk Committee so that the impact on the Gallery may be considered.

Personal data related incidents

The National Portrait Gallery maintains a record of incidents involving the loss, alteration, unauthorised disclosure of insecure disposal or personal data as part of its data breach management procedures. 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) in accordance with the ICO's reporting requirements. No incidents were reported to the ICO this year.

Significant incidents arising relevant to internal control

There were no significant incidents during the year.

Health and Safety

The Board has ultimate responsibility for the health and safety of all people on site at the Gallery or while undertaking business on behalf of the Gallery. The Board has approved policies for health and safety management and safeguarding.

The Board delegates management of health and safety to the executive team. A Health and Safety Committee is in place, comprised of senior managers and trade union representatives, and meets on a quarterly basis to review activities and potential issues, and to ensure that the Gallery's commitment to health, safety and welfare of staff and visitors is adhered to. Regular training on health and safety related matters is provided to staff.

Signed



Victoria Siddall
Director and Accounting Officer



David P J Ross
Chair of the Board of Trustees

PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

The following disclosures have been subject to audit

Contingent liabilities

At the end of 2024-25 the National Portrait Gallery had no material remote contingent liabilities disclosable under Parliamentary reporting requirements (nil in 2023-24).

Statement of Losses and Special Payments

During 2024-25 the NPG made no special payments (£146,000 in 2023-24).

Gifts

During 2024-25 the NPG did not make any gifts (none in 2023-24).

Analysis of fees and charges income

During 2024-25 the NPG did not receive any income from fees and charges (none in 2023-24).

Signed



Victoria Siddall
Director and Accounting Officer, the National Portrait Gallery

14 July 2025



David PJ Ross
Chair of the Board of Trustees, the National Portrait Gallery

14 July 2025

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 National Portrait Gallery and its Group for the year ended 31 March 2025 under the *Museums and Galleries Act 1992*.

The financial statements comprise the National Portrait Gallery and its Group's:

- Consolidated and Gallery Balance Sheet as at 31 March 2025;
- Consolidated Statement of Financial Activities and Consolidated Statement of Cash Flows for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom accounting standards including Financial Reporting Standards (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the National Portrait Gallery and its Group's affairs as at 31 March 2025 and its net income for the year then ended; and
- have been properly prepared in accordance with the *Museums and Galleries Act 1992* and Secretary of State directions issued thereunder.

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 for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. 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 2019*. I am independent of the National Portrait Gallery and its Group in accordance with the ethical requirements that are relevant to my audit of 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

In auditing the financial statements, I have concluded that the National Portrait Gallery and its Group's use of the going concern basis of accounting in the preparation of the financial statements

is appropriate. Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the National Portrait Gallery and its Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. My responsibilities and the responsibilities of the Trustees and Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

Other information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report. The Trustees and Accounting Officer are responsible for the other information. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon. 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 I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the *Museums and Galleries Act 1992*.

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

- the parts of the Annual Report subject to audit have been properly prepared in accordance with Secretary of State directions issued under the *Museums and Galleries Act 1992*; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the National Portrait Gallery and its Group and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report.

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 by the National Portrait Gallery and its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Annual Report, subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by the Secretary of State directions issued under the *Museums and Galleries Act 1992* have not been made or parts of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or

- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Trustees and Accounting Officer for the financial statements

As explained more fully in the Statement of Trustees' and Director's Responsibilities, the Trustees and the Director, as Accounting Officer, are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the National Portrait Gallery and its Group from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements, which give a true and fair view, in accordance with the applicable financial reporting framework;
- preparing the Annual Report in accordance with the applicable reporting framework; and
- assessing the National Portrait Gallery and its Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees and the Accounting Officer either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

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 1992*. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud I:

- considered the nature of the sector, control environment and operational performance including the design of the National Portrait Gallery and its Group's accounting policies.

- inquired of management, the National Portrait Gallery and its Group's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the National Portrait Gallery and its Group's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the National Portrait Gallery and its Group's controls relating to its compliance with the *Museums and Galleries Act 1992*, the *Charities Act 2011*, and Managing Public Money.
- inquired of management, the National Portrait Gallery and its Group's head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud.
- discussed with the engagement team including the component audit team and the relevant internal specialists, including property valuation experts and IT specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the National Portrait Gallery and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override of controls.

I obtained an understanding of the National Portrait Gallery and its Group's framework of authority and other legal and regulatory frameworks in which the National Portrait Gallery and its Group operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the National Portrait Gallery and its Group. The key laws and regulations I considered in this context included the *Museums and Galleries Act 1992*, the *Charities Act 2011*, Managing Public Money, employment law and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures I:

- reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquired of management and the Audit and Risk Committee concerning actual and potential litigation and claims;
- reviewed minutes of meetings of those charged with governance and the Trustees and internal audit reports;
- addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- addressed the risk of revenue recognition due to fraud, assessing the recognition of income in line with the accounting framework and undertaking procedures to test the occurrence and cut-off of donations income.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and the component audit team and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income 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.

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 I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

17 July 2025

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

FINANCIAL STATEMENTS

Consolidated Statement of Financial Activities Incorporating an Income and Expenditure Account for the year ended 31st March 2025

	Notes	INCOME AND EXPENDITURE			CAPITAL			COLLECTIONS			TOTAL				2023-24 Total funds
		2024-25 Unrestricted funds £000	2024-25 Restricted funds £000	2024-25 Total funds £000	2024-25 Unrestricted funds £000	2024-25 Restricted funds £000	2024-25 Total funds £000	2024-25 Unrestricted funds £000	2024-25 Restricted funds £000	2024-25 Total funds £000	2024-25 Unrestricted funds £000	2024-25 Restricted funds £000	2024-25 Endowment funds £000	2024-25 Total funds £000	
Income and endowments from:															
<i>Donations and legacies</i>															
Grant in Aid	4	10,337	-	10,337	649	-	649	-	-	-	10,986	-	-	10,986	10,985
Other donations and legacies		2,582	5,223	7,805	-	-	-	-	2,204	2,204	2,582	7,427	-	10,009	25,288
<i>Charitable activities</i>	5	5,538	-	5,538	-	-	-	-	-	-	5,538	-	-	5,538	5,425
<i>Other trading activities</i>	6	6,048	128	6,176	-	-	-	-	-	-	6,048	128	-	6,176	5,021
<i>Investments</i>	12	-	-	-	-	-	-	-	-	-	-	-	-	-	200
Total		24,505	5,351	29,856	649	-	649	-	2,204	2,204	25,154	7,555	-	32,709	46,919
Expenditure on:															
<i>Raising funds</i>															
Costs of raising donations and legacies	8	1,593	(55)	1,538	98	43	141	-	-	-	1,691	(12)	-	1,679	1,802
Fundraising trading: cost of goods sold and other costs	8	4,544	27	4,571	252	111	363	-	-	-	4,796	138	-	4,934	4,970
Investment management costs	8	-	-	-	-	-	-	-	2	2	-	2	-	2	16
<i>Charitable activities</i>	8	18,258	2,286	20,544	1,093	480	1,573	-	-	-	19,351	2,766	54	22,171	22,596
Total		24,395	2,258	26,653	1,443	634	2,077	-	2	2	25,838	2,894	54	28,786	29,384
Net gains on investments	18	517	-	517	-	-	-	-	37	37	517	37	75	629	320
Net income/(expenditure)		627	3,093	3,720	(794)	(634)	(1,428)	-	2,239	2,239	(167)	4,698	21	4,552	17,855
Transfers between funds	18	158	11	169	180	115	295	-	(431)	(431)	338	(305)	(33)	-	-
Other recognised gains/(losses):															
Gain/(loss) on revaluation of fixed assets	18	-	-	-	248	521	769	-	-	-	248	521	-	769	(2,365)
Net movement in funds		785	3,104	3,889	(366)	2	(364)	-	1,808	1,808	419	4,914	(12)	5,321	15,490
Reconciliation of funds:															
Funds brought forward at 1 April 2024	18	5,771	2,293	8,064	24,710	71,690	96,400	-	67,544	67,544	30,481	141,527	1,649	173,657	158,167
Funds carried forward at 31 March 2025		6,556	5,397	11,953	24,344	71,692	96,036	-	69,352	69,352	30,900	146,441	1,637	178,978	173,657

All operations of the National Portrait Gallery 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, the National Portrait Gallery provides enhanced Statement of Financial Activities disclosure beyond the requirements of the SORP. Full comparative information for 2023-24 for this statement can be found in Note 2. The notes on pages 63 to 101 form part of these accounts.

Consolidated and National Portrait Gallery Balance Sheets

	Notes	Group		National Portrait Gallery	
		2025	2024	2025	2024
		£000	£000	£000	£000
Fixed assets					
Intangible assets	9	658	639	658	639
Tangible assets	10	95,377	95,761	95,377	95,761
Heritage assets	11	67,040	65,030	67,040	65,030
Investments	12	2,663	2,200	2,663	2,200
Total fixed assets		165,738	163,630	165,738	163,630
Current assets					
Stocks	13	772	616	-	-
Debtors and prepayments	14	2,795	2,756	4,825	4,052
Investments	12	12,037	12,635	12,037	12,635
Cash and liquid resources	15	12,040	9,659	10,416	8,565
Total current assets		27,644	25,666	27,278	25,252
<i>Creditors: amounts falling due within one year</i>	16	<i>(8,063)</i>	<i>(5,295)</i>	<i>(7,697)</i>	<i>(4,877)</i>
<i>Provisions: amounts falling due within one year</i>	16	<i>(281)</i>	<i>(281)</i>	<i>(281)</i>	<i>(281)</i>
Net current assets		19,300	20,090	19,300	20,094
Total assets less current liabilities		185,038	183,720	185,038	183,724
Creditors: amounts falling due after more than one year	16	(6,060)	(10,063)	(6,060)	(10,063)
Total net assets		178,978	173,657	178,978	173,661
Represented by:					
Restricted reserves					
Restricted funds (excluding revaluation reserves)	18	117,471	113,078	117,471	113,078
Revaluation reserves		28,970	28,449	28,970	28,449
Subtotal		146,441	141,527	146,441	141,527
Unrestricted reserves					
Designated (excluding revaluation reserves)		20,052	19,045	20,052	19,045
Revaluation reserves		4,292	5,688	4,292	5,688
General		6,556	5,748	6,556	5,752
Subtotal		30,900	30,481	30,900	30,485
Total funds		177,341	172,008	177,341	172,012
Endowments	18	1,637	1,649	1,637	1,649
Total funds		178,978	173,657	178,978	173,661

The notes on pages 63 to 101 form part of these accounts.

The financial statements on pages 60 to 62 were approved by the Trustees on 14 July 2025.

Signed



Victoria Siddall
Director and Accounting Officer



David P J Ross
Chair of the Board of Trustees

Consolidated Statement of Cash Flows for the year ended 31st March 2025

	Notes	2025 £000	2024 £000
<i>Cash flows from operating activities:</i>			
Net cash provided by operating activities	20	3,090	17,537
<i>Cash flows from investing activities:</i>			
Dividends and interest	15	210	200
Purchase of intangible assets	9	(228)	(252)
Purchase of tangible assets	10	(715)	(5,590)
Purchase of heritage assets	11	(159)	(25,756)
Proceeds from sale of investments	12	763	9,807
Net cash used in investing activities		(129)	(21,591)
<i>Cash flows from financing activities:</i>			
Receipt of loan	16	-	8,000
Repayment of loan		(597)	(8,502)
Net cash used by financing activities		(597)	(502)
Unrealised loss from changes in foreign currency exchange rates	20	17	50
Change in cash and cash equivalents in the reporting period		2,381	(4,506)
Cash and cash equivalents at the beginning of the reporting period		9,659	14,165
Cash and cash equivalents at the end of the reporting period	15	12,040	9,659

The notes on pages 63 to 101 form part of these accounts.

NOTES TO THE ACCOUNTS

1. Accounting policies

Basis of accounting

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

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 are prepared with regard to the requirements of the Government Reporting Manual, and are compliant with the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice (the SORP) FRS102 and applicable accounting standards under UK GAAP.

The FRS 102 Periodic Review 2024 issued in September 2024, which is effective for accounting periods beginning on, or after, 1 January 2026, will result in changes to the accounting and disclosure of key areas such as income and leases. Management has not yet quantified the impact these changes will have upon the financial statements as they await the issuance of the revised Charities Statement of Recommended Practice, also effective for the 2026-27 accounts, which will provide interpretation of the changes to FRS 102 for the Charities sector.

The National Portrait Gallery is a public benefit entity.

Basis of consolidation

The National Portrait Gallery's financial statements consolidate the results of the National Portrait Gallery and its wholly-owned subsidiary the National Portrait Gallery Company Limited (company number 6015724). A separate Statement of Financial Activity for the National Portrait Gallery has been presented in Note 3.

Statement of Financial Activities (SOFA)

This statement discloses the total resources receivable by the NPG during the year and their disposition. The NPG has provided enhanced disclosure in the Statement of Financial Activity beyond the requirements of the SORP in order to allow readers of the accounts to distinguish between the ongoing revenue income and costs of operating the NPG, and the impact of donations in support of capital expenditure and Collection acquisitions.

Going Concern

The Trustees confirm that it is appropriate for the National Portrait Gallery to adopt the going concern principle in preparing its accounts.

The Trustees have reviewed budgets, forecasts, and anticipated Grant in Aid receipts, and together with considering the potential impacts on its financial position from both internal and external risks, have concluded there is a reasonable expectation that the Gallery has adequate resources to continue in operational existence for a period of at least 12 months from the date that the accounts are approved. The Trustees are not aware of any legislative changes to the Gallery's functions or funding mechanism as set out in the *Museums and Galleries Act, 1992*. The Gallery therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Key judgements and estimates

The areas where key judgements have been made are listed below:

- Recognition of donations and legacies (note 4) – donations and legacies are recognised by the Gallery where the conditions of receipt have been met, as detailed below.

- Heritage assets (note 11) - 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. Where works of art are included at valuation, external valuations are used where available; more usually assets are valued internally by the National Portrait Gallery staff. In reaching these valuations, curators compare portraits donated to the Collection with the values of comparable items on the open market, taking account of differences in condition, size, status and market desirability.
- Investments (note 12) - the National Portrait Gallery's Investment Committee has appointed an external Investment Manager to manage the Gallery's investment portfolio, in line with the Gallery's Investment Strategy. Day-to-day judgements on investment allocations are delegated to the Investment Manager, within agreed overall objectives. During 2024-25 Partners Capital were the Gallery's Investment Managers. Partners Capital report on the closing market value of investments at each quarter-end, and at the year-end the reported value is reflected in the investment values in the financial statements.
- Capitalisation (notes 9 & 10) – Expenditure on tangible and intangible assets expected to have a useful life of more than one year is capitalised (see *Fixed Assets* below). Capitalisation policy is guided by the Charities SORP. The cost of staff that are directly attributable to capital projects is also capitalised – in 2024-25 staff costs amounting to £72k related to the digitisation of the Gallery's Collection were capitalised.
- The Remuneration Report disclosures are normally judged to cover the requirements of SORP 9.32 in relation to the disclosure of remuneration and benefits received by key management personnel. In 2023-24 the remuneration report did not include some disclosures of pension benefits as these were not provided by the Civil Service Pension Scheme. These disclosures have been received this year and so the remuneration report includes all required information.
- The valuations of the Gallery's property holdings using the DRC and EUV bases (see below and note 10) are a significant judgment which the Trustees believe to be the most appropriate means of reflecting the values of these holdings in the financial statements.

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

- Depreciation (note 10) - the useful economic lives of tangible fixed assets are based on an estimate outlined on page 65 of this report for each category of asset. Depreciation commences when assets are available for use i.e. capable of operating in the manner intended by management.
- Valuation of tangible assets (note 10) - a full revaluation of the National Portrait Gallery's land, property and plant & machinery assets is normally undertaken on a quinquennial basis (although this was undertaken at both March 2023 and March 2024), with desktop valuations undertaken in the intervening years for land and building assets which can readily be valued on a market basis. Other building assets are indexed in years when no full valuation is undertaken. This process was used to revalue assets at 31st March 2025. Further details of this are included on page 67 and in note 10.

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. Membership income is non-refundable and recognised on receipt; in substance it is similar to a donation and is classified as such within the financial statements. 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 the National Portrait Gallery 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 the National Portrait Gallery 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

Income which arises in the National Portrait Gallery Company Limited, and from trading activity carried out by the Gallery, is recognised on a receivable basis.

Investments

Dividend and interest income is recognised on a receivable basis.

Charitable activities

Admissions income is recognised on a receivable basis when it becomes due, which is normally on or before the date of the event to which it relates. Other charitable income, including legacies, is recognised in accordance with the requirements of the SORP.

Sponsorship income is included in income from exhibitions which is charitable activity. It is recognised as income when the conditions for its receipt have been met and when the sponsored activity has taken place

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 National Portrait Gallery 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 governance costs (including relevant legal costs and finance staff, as well as audit fees), finance, human resources, information technology, estate 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.

Heritage Assets

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. In accordance with the Charities SORP, such items are subsequently carried at valuation, and are not depreciated or revalued as a matter of routine. Expenditure to conserve the works is included under charitable activities in the Statements of Financial Activities. Where works of art are included at valuation, external valuations are used where available; more usually assets are valued internally by the National Portrait Gallery staff. In reaching these valuations, curators compare portraits donated to the Collection with the values of comparable items on the open market, taking account of differences in condition, size, status and market desirability. The capitalised heritage assets reflect a small proportion of the Gallery's Collection. For the remaining works, 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. Where assets have been acquired with another party, their carrying value reflects the proportion of the Gallery's holding, which is determined with reference to the contract with the joint party.

Expenditure which is required to preserve or prevent further deterioration of individual collection items is recognised in the Statement of Financial Activities when it is incurred.

Fixed assets

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

IT hardware assets	£1,000
Other assets	£5,000

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. A professional revaluation of assets is normally undertaken on a quinquennial basis. In the years in between professional valuations, indices are used to adjust the net book value of the assets, along with a desktop valuation of the land element and assets valued on the basis of existing use.

Material variations from historical cost are reflected in the balance sheet value. Unrealised gains are taken to reserves; unrealised losses are taken to reserves where applicable, and where there is no pre-existing reserve, are disclosed in the Statement of Financial Activities.

Due to the completion of the building project in 2023-24, a revaluation of the Trustees' property holdings was undertaken at 31st March 2024 by Montagu Evans, independent property consultants. Specialised operational assets are valued on a Depreciated Replacement Cost (DRC) basis, which is used where no market exists for the property due to its specialisation, and is calculated as the current cost of replacing the asset with its modern equivalent, less accumulated depreciation; operational assets are valued on the basis of Existing Use Value. In 2024-25 Montagu Evans carried out a desktop valuation of the Gallery's land and those buildings which could be valued on the basis of existing use (the Orange Street Offices and the Kiosk). Other buildings and plant were revalued using an index.

Impairment reviews are carried out at the end of each reporting period, in accordance with the Charities SORP (FRS 102), to ensure that the carrying values of the assets reflect the recoverable amounts. This does not apply to assets under construction which will be revalued when brought into use.

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 and none is charged in the year of disposal. The useful economic lives of the tangible fixed assets are as follows:

Land	- not depreciated
Buildings and leasehold improvements	- 5 to 70 years
Plant and fit-out	- 5 to 25 years
Fixtures, fittings and equipment	- 3 to 10 years

Assets under construction represent all costs incurred in relation to capital projects, measured at historical cost. In accordance with the Charities SORP (FRS 102), all costs incurred to bring the asset into its intended working condition are included in the measurement of cost, such as site preparation, borrowing costs and any other directly attributable costs.

Depreciation on assets commences when the asset is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Intangible Assets

The threshold for capitalisation of intangible fixed assets is £1,000.

Purchased software is held at historic cost and amortised on a straight-line basis over the expected life of the license.

Expenditure relating to the development of new software that is incurred between establishing technical feasibility and the asset becoming ready for use is capitalised when it meets the criteria in FRS 102. Expenditure on research activities, and on development activities that do not meet the above criteria, is charged to the heading 'Charitable Activities' in the Statement of Financial Activities as incurred. Internally developed intangible assets are held at historic cost and amortised on a straight line basis over their useful economic lives. Amortisation of intangible assets under construction commences when the asset is available for use.

A full year's amortisation is charged in the year of acquisition or when the asset is ready for use and none is charged in the year of disposal.

Impairment reviews are carried out at the end of each reporting period to ensure that the carrying values of the assets reflect the recoverable amounts.

The useful economic lives of the intangible assets are as follows:

Purchased software	- 2 to 5 years
Internally generated software	- 10 years

Intangible assets under construction comprises all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management.

Impairments of Financial Assets

An assessment of whether there is objective evidence of impairment is carried out for all financial assets or groups of financial assets (with the exception of assets under construction) at the balance sheet date. A financial asset, or group of financial assets, is considered to be impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the asset or group of assets that can be reliably estimated.

Where there is objective evidence that an impairment loss exists on loans and receivables carried at amortised cost, impairment provisions are made to reduce the carrying value to the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. The charge to the Statement of Financial Activities represents the movement in the level of provisions, together with any amounts written off, net of recoveries in the year.

Investments

Investments are stated at market value rather than at historical cost, based on the bid-market price. Any unrealised gains or losses are disclosed in the Statement of Financial Activities.

Stock

Stock is stated at the lower of cost or net realisable value and is reviewed for obsolescence at year-end. When calculating stock provisions, management considers the nature and condition of the stock, as well as applying assumptions around anticipated saleability. All stock is held by the National Portrait Gallery Company Limited.

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 of 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 the National Portrait Gallery is not able to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2020. 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. A partnership pension account is also available which is a defined contribution stakeholder pension scheme. The National Portrait Gallery Company Limited operates a separate defined contribution pension scheme for staff employed by the Company. All costs in the Company are unrestricted expenditure.

Redundancy costs

Redundancy and other departure costs are paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme under the *Superannuation Act 1972*. Exit costs are accounted for when a legal or constructive obligation exists at the reporting date, either as a provision or an accrual depending on the level of certainty around timing and amount.

Fund accounting

The National Portrait Gallery maintains unrestricted, designated, restricted and endowment funds as set out in note 18.

Taxation

The National Portrait Gallery 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 the National Portrait Gallery Company Limited are distributed to the National Portrait Gallery under Gift Aid rules and no tax liability is expected for the year ended 31 March 2025.

Liabilities

Liabilities are recognised when a present legal or constructive obligation exists, it is more likely than not that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured or estimated reliably. Voted loans from DCMS are accounted for on an amortised cost basis using the effective interest rate method. Provisions for liabilities are measured at the best estimate of their settlement amount.

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 16. Investments are held at market value, as they are classified as being held at fair value since the funds are actively managed. Trade debtors are measured at their recoverable amounts. When assessing impairment, factors including the current circumstances of debtors, the ageing profile of debtors and historical experience are considered. Where external factors indicate a lower likelihood of debt recoverability, this is also taken into account.

2. Prior Year Consolidated Statement of Financial Activities

		INCOME AND EXPENDITURE			CAPITAL			COLLECTIONS			TOTAL				
		2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2023-24	2022-23
		Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Total funds
Notes		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Income and endowments from:															
<i>Donations and legacies</i>															
		Grant in Aid													
	4	10,485	-	10,485	500	-	500	-	-	-	10,985	-	-	10,985	18,623
		Other donations and legacies													
		3,218	5,550	8,768	-	-	-	-	16,520	16,520	3,218	22,070	-	25,288	12,332
<i>Charitable activities</i>															
	5	5,425	-	5,425	-	-	-	-	-	-	5,425	-	-	5,425	1,790
<i>Other trading activities</i>															
	6	4,698	323	5,021	-	-	-	-	-	-	4,698	323	-	5,021	1,393
<i>Investments</i>															
	12	173	27	200	-	-	-	-	-	-	173	27	-	200	75
Total		23,999	5,900	29,899	500	-	500	-	16,520	16,520	24,499	22,420	-	46,919	34,213
Expenditure on:															
<i>Raising funds</i>															
		Costs of raising donations and legacies													
	8	1,552	31	1,583	116	86	202	-	-	-	1,668	117	17	1,802	1,156
		Fundraising trading: cost of goods sold and other costs													
	8	4,390	63	4,453	298	219	517	-	-	-	4,688	282	-	4,970	2,193
		Investment management costs													
	8	4	-	4	-	-	-	-	11	11	4	11	1	16	24
<i>Charitable activities</i>															
	8	18,147	2,117	20,264	1,343	989	2,332	-	-	-	19,490	3,106	-	22,596	13,634
Total		24,093	2,211	26,304	1,757	1,294	3,051	-	11	11	25,850	3,516	18	29,384	17,007
Net gains on investments															
	18	263	-	263	-	-	-	-	19	19	263	19	38	320	(1,628)
Net income/(expenditure)		169	3,689	3,858	(1,257)	(1,294)	(2,551)	-	16,528	16,528	(1,088)	18,923	20	17,855	15,578
Transfers between funds															
	18	(10,525)	(15,102)	(25,627)	28,131	(15,010)	13,121	-	14,171	14,171	17,606	(15,941)	(1,665)	-	-
Other recognised gains/(losses):															
(Loss)/gain on revaluation of fixed assets															
	18	-	-	-	(1,135)	(1,230)	(2,365)	-	-	-	(1,135)	(1,230)	-	(2,365)	(22,393)
Net movement in funds		(10,356)	(11,413)	(21,769)	25,739	(17,534)	8,205	-	30,699	30,699	15,383	1,752	(1,645)	15,490	(6,815)
Reconciliation of funds:															
Funds brought forward at 1 April 2023															
	18	16,127	13,706	29,833	(1,029)	89,224	88,195	-	36,845	36,845	15,098	139,775	3,294	158,167	164,982
Funds carried forward at 31 March 2024		5,771	2,293	8,064	24,710	71,690	96,400	-	67,544	67,544	30,481	141,527	1,649	173,657	158,167

3. Gallery Statement of Financial Activity

	2024-25 Unrestricted funds (£000)	2024-25 Restricted funds (£000)	2024-25 Endowment funds (£000)	2024-25 Total funds (£000)	2023-24 Total funds (£000)
Income and endowments from:					
Donations and legacies					
- Grant in Aid	10,986	-	-	10,986	10,985
- Other donations and legacies	3,816	7,427	-	11,243	25,288
Charitable activities	5,538	-	-	5,538	5,425
Other trading activities	496	128	-	624	1,336
Investments		-	-		179
Total	20,836	7,555	-	28,391	43,213
Expenditure on:					
Raising funds					
- Costs of raising donations and legacies	1,691	(12)	-	1,679	1,799
- Fundraising trading: cost of goods sold and other costs	4,796	138	-	4,934	2,664
- Investment management costs	-	2	-	2	16
Charitable activities	15,037	2,766	54	17,857	21,421
Total	21,524	2,894	54	24,472	25,900
Net gains on investments	517	37	75	629	320
Net income/(expenditure)	(171)	4,698	21	4,548	17,633
Transfers between funds	338	(305)	(33)	-	-
Other recognised losses:					
- Gains/(losses) on revaluation of fixed assets	248	521	-	769	(2,365)
Net movement in funds	415	4,914	(12)	5,317	15,268
Reconciliation of funds					
Total funds brought forward	30,485	141,527	1,649	173,661	158,393
Total funds carried forward	30,900	146,441	1,637	178,978	173,661

Prior year comparative

	2023-24 Unrestricted funds (£000)	2023-24 Restricted funds (£000)	2023-24 Endowment funds (£000)	2023-24 Total funds (£000)	2022-23 Total funds (£000)
Income and endowments from:					
Donations and legacies					
- Grant in Aid	10,985	-	-	10,985	18,623
- Other donations and legacies	3,218	22,070	-	25,288	12,332
Charitable activities	5,425	-	-	5,425	1,790
Other trading activities	1,012	324	-	1,336	979
Investments	153	26	-	179	72
Total	20,793	22,420	-	43,213	33,796
Expenditure on:					
Raising funds					
- Costs of raising donations and legacies	1,664	118	17	1,799	1,296
- Fundraising trading: cost of goods sold and other costs	2,382	282	-	2,664	1,673
- Investment management costs	4	11	1	16	24
Charitable activities	18,316	3,105	-	21,421	13,371
Total	22,366	3,516	18	25,900	16,364
Net gains on investments	263	19	38	320	(1,628)
Net income/(expenditure)	(1,310)	18,923	20	17,633	15,804
Transfers between funds	17,606	(15,941)	(1,665)	-	-
Other recognised losses:					
- Losses on revaluation of fixed assets	(1,135)	(1,230)	-	(2,365)	(22,393)
Net movement in funds	15,161	1,752	(1,645)	15,268	(6,589)
Reconciliation of funds					
Total funds brought forward	15,324	139,775	3,294	158,393	164,982
Total funds carried forward	30,485	141,527	1,649	173,661	158,393

4. Grants, Donations and Legacies (Group)

	2025 £000	2024 £000
Grant in Aid	10,986	10,985
Grants & donations	6,252	22,245
Legacies	135	13
Fundraising events	102	690
Individual giving	1,226	956
National Lottery Heritage Fund	442	1,034
Donated works of art	1,852	350
Total	20,995	36,273
<i>of which the following is taken to (see pages 60 and 69)</i>		
Income and expenditure	18,142	19,253
Capital	649	500
Collections	2,204	16,520

Grant in Aid is available for running costs, capital improvements and Collection purchases. Of the total figure, £649k (£500k in 2023-24) was provided for capital purposes.

Restricted income included in the above total amounted to £7,427k for 2024-25 (£22,070k for 2023-24.)

Included within Grants and Donations in 2024 is £15.3m relating to the Gallery's £25.0m contribution for the joint acquisition of *Mai (Omai)* by Joshua Reynolds with the Getty Museum.

All the above income relates to the parent charity rather than the National Portrait Gallery Company Limited.

5. Charitable activities (Group)

	2025 £000	2024 £000
Exhibitions income	5,480	5,357
Learning income	58	68
Total	5,538	5,425
<i>of which the following is taken to (see pages 61 and 72)</i>		
Income and expenditure	5,538	5,425
Capital	-	-
Collections	-	-
Restricted income included in the above total	-	-

Of the above income, £nil relates to the Trading Company (£nil in 2023-24).

6. Other trading activities (Group)

	2025 £000	2024 £000
Trading	5,959	4,786
Other activities for raising funds	217	235
Total	6,176	5,021
<i>of which the following is taken to (see pages 60 and 69)</i>		
Income and expenditure	6,176	5,021
Capital	-	-
Collections	-	-

Restricted income included in the above totals was £128k (£324k in 2023-24).

Included within the above totals for income from other trading activities for the group is £5,569k (£4,190k in 2023-24) of income generated by the National Portrait Gallery Company Limited. An additional £89k (£504k in 2023-24) of income due to the National Portrait Gallery from the National Portrait Gallery Company Limited has been eliminated on consolidation. This relates to the management charge. Company profits of £1,239k (£221k in 2023-24) have been gift aided to the Gallery for 2024-25. In total, this brings the Gallery's non-consolidated trading income to £624k (£1,336k in 2023-24).

7. Net income/(expenditure)

Net income/expenditure is stated after charging:

	2025 £000	2024 £000
<i>Auditors' remuneration</i>		
National Audit Office	72	68
PKF Littlejohn LLP – Gallery taxation & technical advice	2	5
PKF Littlejohn LLP – Subsidiary audit	14	13
PKF Littlejohn LLP – Subsidiary taxation & technical advice	1	2
<i>Lease rentals</i>		
Land and buildings	452	457
Equipment	21	6
<i>Depreciation</i>	1,867	2,868
<i>Amortisation</i>	209	183
<i>Loss on disposal of fixed assets</i>	-	30

No non-audit services were provided by the National Audit Office.

8. Total expenditure

	Staff costs £000	Other direct costs £000	Support costs £000	Depreciation & Amortisation £000	2025 Total £000	2024 Total £000
<i>Raising funds</i>						
Costs of raising donations and legacies	899	205	437	138	1,679	1,802
Fundraising trading: cost of goods sold and other costs	1,780	1,648	1,153	353	4,934	4,970
Investment management costs	-	2	-	-	2	16
<i>Total costs of raising funds</i>	2,679	1,855	1,590	491	6,615	6,788
<i>Charitable activities</i>						
Extending and broadening audiences	2,578	1,436	1,342	410	5,766	6,409
Developing the Collection	2,842	2,259	1,596	588	7,285	7,254
Increasing understanding and engagement	3,452	3,099	1,981	588	9,120	8,933
<i>Total charitable activities</i>	8,872	6,794	4,919	1,586	22,171	22,596
Total	11,551	8,649	6,509	2,077	28,786	29,384

Support costs breakdown by activity

	Governance costs £000	Finance and Legal £000	Human resources £000	Information systems £000	Estates £000	Other £000	2025 Total £000	2024 Total £000
<i>Raising funds</i>								
Costs of raising donations and legacies	18	58	39	83	219	20	437	436
Fundraising trading: cost of goods sold and other costs	51	171	100	211	561	58	1,152	1,148
Investment management costs	-	-	-	-	-	-	-	1
<i>Total costs of raising funds</i>	69	229	139	294	780	78	1,589	1,585
<i>Charitable activities</i>								
Extending and broadening audiences	61	200	116	246	652	68	1,343	1,388
Developing the Collection	77	254	167	77	935	86	1,596	1,611
Increasing understanding and engagement	98	322	166	352	934	109	1,981	1,962
<i>Total charitable activities</i>	236	775	449	675	2,521	263	4,920	4,961
Total	305	1,004	588	969	3,301	341	6,509	6,546
Basis of allocation	expenditure	expenditure	average FTE	FTE excluding visitor services	average FTE	expenditure		

Support costs include an element of staff costs amounting to £2,381k (£2,613k in 2023-24).

Staff costs (group)

	2025 £000	2024 £000
Wages and salaries	10,029	9,705
Pension costs	2,274	2,045
Social Security costs	971	906
Redundancy costs	-	146
Total employee costs	13,274	12,802
Agency staff costs	83	247
Total employee and agency staff costs	13,357	13,049

Not included in the above is £72k of staff costs relating to staff working on capital projects that were capitalised in 2024-25 (£538k in 2023-24). The average number of full-time equivalent (FTE) staff directly employed on capital projects was 2 in 2024-25 (6 in 2023-24).

The Gallery's average gender profile for the year is 23% male, 76% female and 1% non-binary in 2024-25 (23% male, 76% female and 1% non-binary in 2023-24). Of the Director's Group within the Gallery (as listed on page 49) 13% are male, and 87% are female in 2024-25 (22% male and 78% female in 2023-24).

The key management personnel of the Gallery comprise the Director, the COO and the CFO (the COO position has been vacant since May 2024). The total employee benefits including employer's pension and national insurance contributions of the key management personnel were £365,447 (£390,114 in 2023-24).

The number of National Portrait Gallery employees, (including those who occupied the office of Director during the year) whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

Staff pay brackets over £60,000

	2025 No.	2024 No.
£60,000 - £69,999	2	5
£70,000 - £79,999	3	3
£80,000 - £89,999	4	2
£90,000 - £99,999	0	0
£100,000 - £109,999	1	1
£110,000 - £119,999	0	0
£120,000 - £129,999	0	0
£130,000 - £139,999	0	1
£140,000 - £149,999	0	0
£150,000 - £159,999	0	1
£160,000 - £169,999	0	1
Total	10	14

Of the staff earning more than £60,000, 30% are male and 70% are female (21% male and 79% female in 2023-24).

Of the staff earning more than £60,000, 7 are members of a defined benefit pension scheme (13 in 2023-24); 2 are members of the defined contribution pension scheme (1 in 2023-24) and one was not in either pension scheme. Further information on Directors' and senior managers' pay can be found in the remuneration report from page 34.

The Trustees neither received nor waived any emoluments during the year (also in 2023-24). Expenses reimbursed or paid on behalf of Independent Committee Members for travel amounted to £NIL (£237 in 2023-24).

£216,559 was spent on off-payroll workers during the year (£272,453 in 2023-24) as established by the FReM guidance and set out in the table on page 39. There were no off-payroll engagements of board members or senior officials with significant financial responsibility between 1 April 2023 and 31 March 2024.

The average number of full-time equivalent (FTE) staff during the year was 237 (225 in 2023-24). Included within this total are 49 FTE staff on fixed-term contracts (119 in 2023-24).

Breakdown of average FTE staff by occupational group

	2025 No.	2024 No.
<i>Costs of raising funds</i>		
Costs of raising donations and legacies	14	13
Costs of fundraising trading	35	32
<i>Charitable activities</i>	156	147
<i>Other resources expended – support costs</i>	32	33
Total	237	225

Breakdown of Exit Packages

Exit package cost band	Number of compulsory redundancies 2025	Number of other redundancies agreed 2025	Total number of exit packages by cost band 2025	Total number of exit packages by cost band 2024
£0-£25,000	-	-	-	-
£25,001 - £50,000	-	-	-	1
£50,001 - £100,000	-	-	-	-
£100,001 - £150,000	-	-	-	1
£150,000+	-	-	-	-
Total number of exit packages	-	-	-	2
Total cost/£000	-	-	-	146
No. of exit packages repaid	-	-	-	-
Cost of exit packages repaid/£000	-	-	-	-
Total resource cost/£000	-	-	-	146

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme under the *Superannuation Act 1972*. Exit costs are accounted as a legal or constructive obligation arises.

Pension benefits are provided through the Civil Service pension arrangements. The Principal Civil Service Pension Scheme (PCSPS) – known as “Alpha” – is an unfunded multi-employer defined benefit scheme introduced from 1 April 2015. The Gallery is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the PCSPS as at 31 March 2020. Details are included in the resource accounts of the Cabinet Office: Civil Superannuation, for reference please see; <https://www.civilservicepensionscheme.org.uk/about-us/resource-accounts/>. Prior to 1 April 2015, 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.

For 2024-25, employers' contributions of £2,077,215 were payable to the PCSPS (£1,998,269 in 2023-24) at the rate of 28.97% of pensionable pay in all 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 2024-25 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a defined contribution pension scheme with an employer contribution. Employers' contributions of £222,545 (£139,642 in 2023-24) were paid to one or more of a panel of two appointed stakeholder pension providers (this includes payments from both the Gallery and the trading company). Employer contributions are age-related and ranged from 8% to 14.75%. Employers also match employee contributions up to 3% of pensionable earnings. In addition, employer contributions of £1,513 (£739 in 2023-24), 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. Contributions of £18,801 (£16,033 in 2023-24) were due to the partnership pension providers at the balance sheet date. There were no contributions prepaid at that date. Any liabilities or expenses relating to the defined contribution pension scheme are allocated to unrestricted funds and restricted funds on the same basis as other employee-related costs unless the terms of a restriction prohibit the allocation of such costs to a restricted fund.

In 2024-25, £18,730 of pension contributions have been capitalised (£102,176 in 2023-24).

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

9. Intangible Assets (Group)

	Intangible Assets £000
Value at 1 April 2024	880
Additions at cost	228
Transfer of assets	-
Gain/(Loss) on valuation	-
Disposals	-
Value at 31 March 2025	1,108
Amortisation at 1 April 2024	241
Charge for the year	209
Gain/(Loss) on valuation	-
Disposals	-
Amortisation at 31 March 2025	450
Net book value at 31 March 2025	658
Net book value at 31 March 2024	639

Intangible assets consist of purchased software and internally generated software.

10. Tangible assets

Group & National Portrait Gallery Assets

	Land £000	Leasehold & Freehold Buildings £000	Plant & Machinery £000	Fixtures and Equipment £000	Asset Under Construction £000	Total Tangible Assets £000
Value at 1 April 2024	36,368	37,516	20,239	4,296	-	98,419
Additions at cost	-	-	513	113	89	715
Transfer of assets	-	-	-	-	-	-
Gain/(Loss) on valuation	(66)	369	465	-	-	768
Disposals	-	-	-	(574)	-	(574)
Value at 31 March 2025	36,302	37,885	21,217	3,835	89	99,328
Depreciation at 1 April 2024	-	-	-	2,658	-	2,658
Charge for the year	-	634	863	370	-	1,867
Gain/(Loss) on valuation	-	-	-	-	-	-
Disposals	-	-	-	(574)	-	(574)
Depreciation at 31 March 2025	-	634	863	2,454	-	3,951
Net book value at 31 March 2025	36,302	37,251	20,354	1,381	89	95,377
Net book value at 31 March 2024	36,368	37,516	20,239	1,638	-	95,761

Prior year comparative

	Land £000	Leasehold & Freehold Buildings £000	Plant & Machinery £000	Fixtures and Equipment £000	Asset Under Construction £000	Total Tangible Assets £000
Value at 1 April 2023	37,091	22,100	10,575	4,392	41,170	115,328
Additions at cost	-	240	475	452	4,423	5,590
Transfer of assets	-	29,179	16,414	-	(45,593)	-
Gain/(Loss) on valuation	(723)	(14,003)	(7,142)	-	-	(21,868)
Disposals	-	-	(83)	(548)	-	(631)
Value at 31 March 2024	36,368	37,516	20,239	4,296	-	98,419
Depreciation at 1 April 2023	-	11,453	5,649	2,790	-	19,892
Charge for the year	-	1,329	1,125	416	-	2,870
Gain/(Loss) on valuation	-	(12,782)	(6,721)	-	-	(19,503)
Disposals	-	-	(53)	(548)	-	(601)
Depreciation at 31 March 2024	-	-	-	2,658	-	2,658
Net book value at 31 March 2024	36,368	37,516	20,239	1,638	-	95,761
Net book value at 31 March 2023	37,091	10,647	4,926	1,602	41,170	95,436

The freehold of National Portrait Gallery at St Martin's Place was transferred from the Secretary of State for the Environment and the Crown to the Board of Trustees of the Gallery in January 1994. The freehold land and buildings were brought into the books in 1994 at a net book value of £43.7m.

The land and buildings at 39-45 Orange Street and 1 Charing Cross Road were purchased by the Gallery in 1988/89 for £1.5 million. This conveyance contains a covenant which states: "*that the property shall not be used for any purpose other than for the purposes of The National Portrait Gallery as a non-profit making public art gallery and offices, library and storage and shop for the sale of books, souvenirs and pictures and restaurant and catering for visitors to the public and/or other similar. In each case strictly ancillary to the use of the property or the premises now known as The National Portrait Gallery as a public art gallery.*" They were reconstructed to provide new accommodation for the archives and gallery administration. The buildings were brought into the balance sheet in 1994 at a value of £9.1 million (including plant and machinery). The Weston Wing (East Wing) was purchased during 2018-19 from the National Gallery for £2,600,000.

Valuation of the NPG's estate is inherently subjective due to the complex and unique nature of its buildings. As a result the valuation of the estate is subject to a high degree of uncertainty. Following completion of the buildings project, a full revaluation of the Trustees' property holdings was undertaken at 31st March 2024 by Montagu Evans, independent property consultants. The revaluation was in accordance with the Royal Institution of Chartered Surveyors' "Red Book", RICS Appraisal and Valuation Standards. Non-specialised property is valued at market value for existing use, whilst specialised property is valued at depreciated replacement cost (DRC). DRC is used where no market exists for the property due to its specialisation, and is calculated as the current cost of replacing the asset with its modern equivalent, less accumulated depreciation. In 2024-25 land and the offices and Portrait Pavilion have been the subject of a desktop revaluation exercise by Montagu Evans. The valuation was based primarily on movements in the property market in the area and in the wider economy since the previous asset valuation as at 31st March 2024. The Gallery's other buildings and plant have been indexed using the PUBSEC Tender Price Index (non-Housing) which showed an increase of 2.3% for the year.

The following are considered significant assumptions as management make a judgement in setting these assumptions and a small variation can result in a significant change in the valuation:

Depreciated Replacement Cost

- Modern Equivalent Asset identified: management has determined that the Museum's buildings have a MEA of the same size and location of the existing assets.
- Build cost of the MEA identified: are based on actual construction project data adjusted for inflation and location. Management has determined that the historic significance of the existing assets is judged to be intrinsic to the benefit derived from it therefore build costs include costs in relation to reproducing historic features.

Existing Use Value (EUV)

The Gallery's non-specialised operational assets are made up of offices in central London, and are valued using EUV, as there is a reliable market valuation for these assets. This valuation method involves estimating the cost of purchasing a replacement asset that has the same operational use and characteristics. The following are considered significant assumptions as management make a judgement in setting these assumptions and a small variation can result in a significant change in the valuation:

- Market rent per annum: the higher end of the range of available market data for offices has been used as the properties being valued have been recently refurbished.
- Yields, or annual return on investment: at the lower end of comparable data has been used because the properties being valued are offices who have a similar commercial function to the other properties in the lower range of the market data.

During 2022-23, the Gallery purchased 11a Charing Cross Road ("The Portrait Pavilion"), which previously operated as a ticket booth, for £2.7m. The Portrait Pavilion came into use in November

2023 and has been included in the year end revaluation undertaken by Montagu Evans. The revaluation resulted in a £0.2m reduction in the value of the Pavilion.

The financial effect of revaluing fixtures, fittings and equipment is considered to be immaterial and therefore they have been disclosed at their historical cost value.

Assets under construction relate to the Heat Decarbonisation Plan which is designed to improve the environmental performance of the NPG's buildings.

11. Heritage assets

Collection Cost and Valuation

	Value at 1 March 2024 £000	Additions £000	Value at March 2025 £000
Cost			
Primary Collection	50,491	135	50,626
Reference Collection	72	1	73
Photographs Collection	875	23	898
Valuation			
Primary Collection	9,244	1,794	11,038
Reference Collection	3,234	21	3,255
Photographs Collection	1,114	36	1,150
Total	65,030	2,010	67,040

In the year 2024-25, 121 works (165 in 2023-24) were added to the Collection of which 25 were included at cost price (99 in 2023-24) and 96 have been valued (66 in 2023-24).

During 2023-24, the Gallery jointly acquired *Mai (Omai)* by Joshua Reynolds with the Getty. The acquisition cost was £25m, funded via donations (£15.3m) made towards the acquisition and from the Gallery's own investments (£9.7m).

Five-year financial summary of heritage asset transactions

	2020-21 £000	2021-22 £000	2022-23 £000	2023-24 £000	2024-25 £000
Cost					
Purchased assets	307	127	1,562	25,756	159
Valuation					
Donated assets	298	305	1,859	350	1,851
Total additions	605	432	3,421	26,106	2,010

Further Information on the National Portrait Gallery's Collection

The Gallery's Collection is held in support of its statutory obligations to promote, through the medium of portraits, the appreciation and understanding of the men and women who have made and are making British history and culture, and to promote the appreciation and understanding of portraiture in all media.

The Collection is displayed at the National Portrait Gallery and through loans to temporary national and international exhibitions. Access to the permanent collection on display at the National Portrait Gallery is free of charge. Most of the temporary exhibitions are ticketed providing an essential source of revenue. Normally items not on display can be made available for viewing via the Acquisitions & Displays Registrar. The Collection is also made widely available via the Portrait Explorer within the Gallery, on the internet (at www.npg.org.uk) and in Gallery and other publications.

Primary Collection

The National Portrait Gallery's Collection is among the largest and most prestigious collections of portraits in the world in all media. The Primary Collection of paintings, sculpture, miniatures, drawings, prints, photographs, silhouettes and mixed/new media works contains portraits of the most famous people in British history.

Reference Collection

The Archive and Library's Reference Collection complements the Gallery's primary Collection of portraits and contributes to a better understanding of British Portraiture generally. The Reference Collection comprises mainly prints but also drawings, paintings, sculptures, and a small but growing collection of popular ceramics. The Reference Collection is used for study and exhibition, and has been extensively reproduced in books and other publications. The majority of the Collection is catalogued; cataloguing of the remaining items, all historic acquisitions, is ongoing.

Photographs Collection

The Photographs Collection is one of the most important collections of photographic portraits in the world, containing original photographic images approximately half of which are original negatives. They date from the 1840s to the present day. The Collection is divided into two parts; photographic portraits that are subsumed into the Gallery's Primary Collection of portraits, and the remainder which form the Photographs Collection. Actively collected since 1972, photographic holdings include large archives of negatives and prints from the studios of including Bassano, Elliott & Fry and Lafayette - the National Photographic Record, commissioned by the Gallery from 1916-1970 and albums including Camille Silvy's daybooks from the 1860s. Women photographers represented include Olive Edis working with autochromes, Art Deco portraitist Dorothy Wilding, Yevonde working in colour in the 1930s and Ida Kar documenting the mid-20th century artistic scene. Other major photographers' bodies of work include Cecil Beaton, Bill Brandt, Lewis Morley, Snowdon and Norman Parkinson as well as an active collection of contemporary photographs. The majority of the Collection is catalogued; cataloguing of the remaining items, which are larger archives of both prints and negatives and historic acquisitions, is ongoing.

Further information on the Collection may be found in the annual report on page 14. More information is available on the National Portrait Gallery's website, www.npg.org.uk.

Preservation and Management of the Collection

The Collection is under the care of the Collections Services department. The Conservation staff perform one of the Gallery's core functions, the long-term preservation of all Collection items, to make them accessible now and in the future.

The Primary, Photograph and Reference Collections are recorded on the Gallery database, Multi Mimsy, and this database serves as the register of the Collection.

The condition and storage of acquisitions for the Collection are considered at the point of acquisition. Items in the various collections are kept in environmentally controlled conditions. The condition and the management of the collections are then subject to review on a portrait-by-portrait basis as and when portraits are used for exhibition or other use at the Gallery or elsewhere.

The condition and the management of the Collection is also subject to review in other ways, firstly across a whole group of objects in a particular medium as and when opportunity or the need arises for a wider survey, secondly at a particular location as a matter of regular review and, thirdly as a matter of day-to-day review by staff working with the collections on display and in store.

The Collection is subject to periodic random audit to make sure that portraits are located as recorded on the database.

There is close and frequent liaison between Collection managers, curators and conservators, and also with security staff as necessary.

Acquisitions

Acquisitions for the Primary Collection are subject to the approval of the Board of Trustees which meets four times a year. The Gallery's formal collecting policy is set out in Collections Development Policy, which can be viewed on the Gallery's website:

<https://www.npg.org.uk/about/corporate/gallery-policies/collections-development-policy>

Acquisitions for the Reference Collection (Photograph and Archive) are delegated to the Director and are formally approved by the monthly Curatorial Meeting.

Disposals

The Trustees have a statutory responsibility to hold and maintain the Collection in trust for future generations in accordance with the Gallery's objectives. The Trustees are empowered to dispose of objects the Gallery owns, but only in certain circumstances. The procedures are laid out in the Collections Development Policy mentioned above. A procedure for lost or damaged items is being currently being formalised.

Capitalisation of 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. In accordance with the Charities SORP (FRS 102), such items are subsequently carried at initial valuation, and are not depreciated or revalued as a matter of routine. 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 the National Portrait Gallery staff. In reaching these valuations curators compare portraits donated to the Collection with the values of comparable items on the open market, taking account of differences in condition, size, status and market desirability. For the remaining works, 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. Where assets have been acquired with another party, their carrying value reflects the proportion of the Gallery's holding.

12. Investments

The National Portrait Gallery holds both fixed and current asset investments. The National Portrait Gallery Company does not hold any investments. Partners Capital LLP manage all investments.

Fixed asset investments

	2025	2024
	£000	£000
Market value at 1 April 2024	2,200	1,543
Investment portfolio additions	-	-
Investment portfolio disposals	(53)	(10)
Investment Management Charges deducted	-	-
Reclassification from/(to) current investments	390	617
Gains/(losses) on revaluation	126	50
Market value at 31 March 2025	2,663	2,200

Fixed asset investments are held for the purposes of producing a long-term return and are not intended to be spent within the next 12 months. Fixed asset investments consist of the Master Portfolio (TMP) and the Heinz Archive fund.

The Master Portfolio (TMP)

The Master Portfolio (TMP) is a collective investment scheme within the Portrait Fund, created by Partners Capital, which invests across a range of asset classes and securities (which may include investments in other collective investment schemes).

The Master Portfolio is valued at year-end based on the value of the underlying assets within the fund, of which 31% are listed and market-priced. These include individual securities, daily dealing funds and the cash balance, which is held in a money market fund. The non-listed element is invested in investment funds.

At March 2023, the Master Portfolio was reclassified to current investments due to the withdrawal towards the purchase of *Mai (Omai)* by Joshua Reynolds. At March 2024, the remaining balance in the fund was transferred back to fixed asset investments to reflect the long-term nature of the investment. During the year a greater proportion of the Portrait Fund was allocated to the Master Portfolio resulting in the reclassification from current asset investments.

Heinz Archive Fund

As the income and capital relating to the Heinz Archive fund are ring-fenced it has been classified within fixed asset investments.

39% of the fixed asset investments are held outside the UK (27% in 2023-24). Unrealised gains and losses are included in the Statement of Financial Activities.

Current asset investments

	2025	2024
	£000	£000
Market value at 1 April	12,635	22,803
Investment portfolio additions	-	-
Investment portfolio disposals	(709)	(9,797)
Investment management charges deducted	(2)	(24)
Reclassification (to)/ from fixed investments	(390)	(617)
Gains/(losses) on revaluation	503	270
Market value at 31 March	12,037	12,635

Current asset investments are held for the purposes of producing a return, but the Gallery considers that they should remain highly liquid and available at short notice if required. Current asset investments consist of all investments, except for the Heinz Archive fund and the Master Portfolio. Aside from cash, investments held include fixed income investments, credit investments, and inflation-linked bonds, all held via third party investment vehicles.

At March 2023, the Master Portfolio was reclassified to current investments and subsequently £9.7m was withdrawn in the year from The Master Portfolio and the Heinz Acquisition fund towards the £25.0m purchase of *Mai (Omai)* by Joshua Reynolds. At March 2024, the remaining balance of £0.6m in the Master Portfolio was reclassified to fixed asset investments to reflect the long-term nature of the investment. During the year a greater proportion of the Portrait Fund was allocated to the Master Portfolio resulting in the reclassification to fixed asset investments.

At the year-end, £2,924k (2024: £2,407k) of current asset investments relate to unrestricted reserves. The rest relates to the remainder of the Portrait Fund and the DCMS *Inspiring People* loans (see note 16). The investments are valued at the year-end value of the underlying assets, 99.6% (2024 : 97.3%) of which is listed and market-priced. None of the current investments are held outside the UK.

Investment Portfolio

	2025 Market value £000	2024 Market value £000
<i>Investments in the UK</i>		
Government stocks (inflation linked gilts)	473	505
Money market funds	11,109	11,771
Cash	87	359
<i>Investments held outside the UK</i>		
Corporate bonds	-	-
Absolute return	-	-
Multi-asset class	368	-
Cash	-	-
Total	12,037	12,635

Unrealised gains and losses are included in the Statement of Financial Activities.

13. Stock

	Group		National Portrait Gallery	
	2025 £000	2024 £000	2025 £000	2024 £000
Goods for resale	683	582	-	-
Work in progress	89	34	-	-
Total	772	616	-	-

14. Debtors

	Group		National Portrait Gallery	
	2025 £000	2024 £000	2025 £000	2024 £000
Trade debtors	856	519	252	352
Provision for bad debts	(44)	(34)	(28)	(20)
Subtotal	812	485	224	332
Amounts due from group companies	-	-	2,853	1,642
Other debtors	120	104	117	55
Prepayments	252	166	227	152
Accrued Museums & Galleries Exhibition Tax Relief income	947	676	947	676
Accrued income	540	1,103	333	972
VAT recoverable	124	222	124	223
Total	2,795	2,756	4,825	4,052

Museums & Galleries Exhibition Tax Relief income is claimed in arrears by the Gallery. The accrued income remaining relates to 2021-22, 2022-23, 2023-24 and 2024-25.

15. Cash and liquid resources

Cash held at/in:

	Group		National Portrait Gallery	
	2025 £000	2024 £000	2025 £000	2024 £000
Interest-bearing accounts	10,672	7,043	9,251	5,990
Cash and non-interest-bearing accounts	1,368	2,616	1,164	2,575
Total	12,040	9,659	10,415	8,565

Income from UK bank deposits

	Group		National Portrait Gallery	
	2025 £000	2024 £000	2025 £000	2024 £000
Income from UK bank deposits	210	200	190	179
Total	210	200	190	179

16. Creditors

Amounts falling due within one year

	Group		National Portrait Gallery	
	2025	2024	2025	2024
	£000	£000	£000	£000
Trade creditors	1,686	609	1,592	580
DCMS loan repayment	4,003	597	4,003	597
Other creditors	161	509	155	504
Taxation and social security	482	431	418	383
Accruals	1,263	2,608	1,129	2,365
Deferred income	468	541	400	448
Total	8,063	5,295	7,697	4,877

Amounts falling due after more than one year

	Group		National Portrait Gallery	
	2025	2024	2025	2024
	£000	£000	£000	£000
Other creditors	6,060	10,063	6,060	10,063
Total	6,060	10,063	6,060	10,063

Creditors falling due after more than one year comprise two loans from DCMS. During 2017-18 a loan for £2,600,000 was provided by DCMS to fund the purchase of the East Wing freehold from the National Gallery. £1,820,000 of this loan remains due after more than one year, with a further £150,000 due in 2025-26.

Further loans were agreed with DCMS in 2020-21 for £8,800,000. These loans funded the forecast operational deficit during closure and cashflow for the *Inspiring People* project. £4,240,000 of these loans remain due after more than one year, with a further £3,853,000 due in 2025-26.

During 2023-24, DCMS provided a bridging loan of £8m to facilitate the purchase of *Mai (Omai)* by Joshua Reynolds. The loan was repaid before the 2023-24 year end.

Loans

	Year of receipt	Value (£000)	Interest Rate	Principal Due Date
East Wing Loan	2017-18	2,608	1.63%	2037-38
IP loan tranche 1	2020-21	2,108	0.34%	2037-38
IP loan tranche 2	2020-21	500	0.29%	2037-38
IP loan tranche 3	2021-22	459	1.00%	2037-38
IP loan tranche 4	2021-22	3,500	0.31%	2025-26
IP loan tranche 5	2022-23	2,233	1.71%	2037-38

Deferred income

	Group		National Portrait Gallery	
	2025	2024	2025	2024
	£000	£000	£000	£000
Deferred income brought forward	541	496	448	474
Released in year	(529)	(484)	(448)	(474)
Deferred in year	456	529	400	448
Deferred income carried forward	468	541	400	448

Deferred income released during the year related to sponsorship, where the underlying activities were completed during the year. Income deferred in the year relates to sponsorship & exhibition ticket sales.

Provisions

	Group		National Portrait Gallery	
	2025	2024	2025	2024
	£000	£000	£000	£000
Provisions brought forward	281	23	281	23
Utilised in year	-	(23)	-	(23)
Released in year	-	-	-	-
Charged in year	-	281	-	281
Provisions carried forward	281	281	281	281

The provision relates to supplier accounts relating to the *Inspiring People* project. The timing and amount of any payment is currently uncertain; the provision created represents the Gallery's current best estimate of the obligation.

17. Leases

The National Portrait Gallery does not hold any finance leases.

At March 2024, the National Portrait Gallery had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	Other	2025	2024
	£000	£000	£000	£000
One year	224	17	241	184
Two to five years	896	68	964	720
More than five years	224	17	241	341
Total	1,344	102	1,446	1,245

The National Portrait Gallery Company Limited does not hold any leases.

18. Group Statement of funds

2024-25	Opening Funds £000	Transfers £000	Income £000	Expenditure £000	Gain/(Loss) on revaluation £000	Gain/(Loss) on investment £000	Closing Funds £000
Unrestricted							
<i>Designated</i>							
Land & Buildings	2,193	-	-	(26)	(218)	-	1,948
Plant & Machinery, Fixtures & Fittings, Intangibles	16,829	854	-	(1,442)	-	-	16,241
Plant & Machinery revaluation reserve	5,688	-	-	-	467	-	6,155
Inspiring People Fund	23	(23)	-	-	-	-	-
Subtotal	24,733	831	-	(1,468)	248	-	24,344
<i>Unrestricted funds</i>	5,748	(493)	25,154	(24,370)	-	517	6,556
Total unrestricted funds	30,481	338	25,154	(25,838)	248	517	30,900
Restricted							
Asset Under Construction	-	89	-	-	-	-	89
Land & Buildings	43,241	-	-	(608)	-	-	42,633
Land & Buildings revaluation reserve	28,449	-	-	-	521	-	28,970
Heritage Assets	65,030	-	2,010	-	-	-	67,040
<i>Restricted reserves for the purchase of heritage assets:</i>							
Portrait Fund	2,043	(33)	-	(2)	-	37	2,045
Dame Helen Gardner Fund	16	-	-	-	-	-	16
Grants & Donations Fund for Acquisitions	455	(398)	194	-	-	-	251
Grants & Donations Fund for Inspiring People	1,576	(2,197)	1,566	(995)	-	-	(50)
Grants & Donations Fund for other activities	717	2,234	3,785	(1,289)	-	-	5,447
Total restricted income funds	141,527	(305)	7,555	(2,894)	521	37	146,441
Endowments							
Heinz Archive Fund	1,576	7	-	(54)	-	75	1,604
Heinz Acquisitions Fund	73	(40)	-	-	-	-	33
Total endowment funds	1,649	(33)	-	(54)	-	75	1,637
Total funds	173,657	-	32,709	(28,786)	769	629	178,978

Prior Year Group Statement of Funds

	Opening Funds £000	Transfers £000	Income £000	Expenditure £000	Losses on revaluation £000	Losses on investment £000	Closing Funds £000
2023-24							
Unrestricted							
<i>Designated</i>							
Land & Buildings	2,703	240	-	(36)	(714)	-	2,193
Plant & Machinery, Fixtures & Fittings, Intangibles	959	17,623	-	(1,753)	-	-	16,829
Plant & Machinery revaluation reserve	6,139	(30)	-	-	(421)	-	5,688
<i>Inspiring People</i> Fund	-	67	91	(135)	-	-	23
Subtotal	9,801	17,900	91	(1,924)	(1,135)	-	24,733
<i>Unrestricted funds</i>	5,297	(294)	24,408	(23,926)	-	263	5,748
Total unrestricted funds	15,098	17,606	24,499	(25,850)	(1,135)	263	30,481
Restricted							
Asset Under Construction	41,170	(41,170)	-	-	-	-	-
Land & Buildings	15,356	29,179	-	(1,294)	-	-	43,241
Land & Buildings revaluation reserve	29,679	-	-	-	(1,230)	-	28,449
Heritage Assets	38,924	25,756	350	-	-	-	65,030
<i>Restricted reserves for the purchase of heritage assets:</i>							
Portrait Fund	9,882	(7,847)	-	(11)	-	19	2,043
Dame Helen Gardner Fund	16	-	-	-	-	-	16
Grants & Donations Fund for Acquisitions	188	(15,903)	16,170	-	-	-	455
Grants & Donations Fund for <i>Inspiring People</i>	3,943	(5,677)	5,037	(1,727)	-	-	1,576
Grants & Donations Fund for other activities	617	(279)	863	(484)	-	-	717
Total restricted income funds	139,775	(15,941)	22,420	(3,516)	(1,230)	19	141,527
Endowments							
Heinz Archive Fund	1,543	-	-	(17)	-	50	1,576
Heinz Acquisitions Fund	1,751	(1,665)	-	(1)	-	(12)	73
Total endowment funds	3,294	(1,665)	-	(18)	-	38	1,649
Total funds	158,167	-	46,919	(29,384)	(2,365)	320	173,657

Fair value reserve

	Investment in funds at historic cost £000	Fair value reserve £000	Market value of investments March 2025 £000
Restricted <i>Portrait Fund</i>	1,771	274	2,045
Unrestricted <i>General fund</i>	10,021	997	11,018
Endowments	1,540	97	1,637
Total	13,332	1,368	14,700

Prior year fair value reserve (Re-presented)

	Investment in funds at historic cost £000	Fair value reserve £000	Market value of investments March 2024 £000
Restricted <i>Portrait Fund</i>	2,029	(17)	2,012
Unrestricted <i>General fund</i>	10,697	510	11,207
Endowments	1,594	22	1,616
Total	14,320	515	14,835

The prior year figures were represented following the receipt of corrected numbers from the investment manager.

The accounts comprise a number of individual funds that divide into distinct categories, which are defined as follows:

Designated funds

Funds designated for a particular use by the Trustees.

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

- *Land & Buildings* – funds applied towards the purchase of land and buildings
- *Plant & Machinery, Fixtures & Fittings, Intangibles* – funds applied towards the purchase of plant, machinery, fixtures, equipment and intangibles.
- *Plant & Machinery Revaluation reserve* – the reserve arising from the 5-yearly revaluation and the indexation of historical asset values of plant and machinery to arrive at a modified historical cost.

- *The Inspiring People fund* – represents funds generated from the *Inspiring People* public campaign.

Unrestricted 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:

- *Assets Under Construction* – funds applied towards the purchase of specific assets under construction.
- *Land and Buildings* – the value of the National Portrait Gallery's estate vested in the Board of Trustees by the Secretary of State for the Environment and adjusted for subsequent valuations and disposals.
- *Land and Buildings Revaluation reserve* – the reserve arising from the 5-yearly revaluation and the indexation of historical asset values to arrive at a modified historical cost.
- *Heritage assets* – funds applied towards the purchase of acquisitions for the Collection together with all donated works of art since 1 April 2001.
- *Portrait fund* – funds raised specifically for the development of the Collection (acquisitions and related costs such as conservation and displays) as set out in the Portrait fund deed.
- *Dame Helen Gardner fund* – funds provided by royalties received under Dame Helen Gardner's bequest restricted to purchasing literary or early 17th century portraits.
- *Grants and donations fund for acquisitions* – funds from various grants and donations given for the purchase of acquisitions.
- *Grants and donations fund for Inspiring People* – funds from various grants and donations given towards the *Inspiring People* project.
- *Grants and donations fund for other activities* – funds from various grants and donations given for specified purposes (not including acquisitions or *Inspiring People*).

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:

- *Drue Heinz Archive Fund* – legacy endowment to support and maintain the Heinz Library & Archives. The capital element of this endowment remains permanently intact and only the income can be spent;
- *Drue Heinz Acquisition Fund* – legacy endowment for purchase of acquisitions for the Collection. This endowment was expended during the year and used towards the purchase of *Mai (Omai)* by Joshua Reynolds.

Fund transfers 2024-25

Material fund transfers during the year relate to:

- The revaluation/indexation of the Gallery's property holdings that was undertaken at March 2025; and
- The *Inspiring People* project is now complete, all remaining works will be captured under other activities.

19. Group analysis of net assets between funds

	Unrestricted designated funds £000	Unrestricted general funds £000	Restricted funds £000	Endowment funds £000	Total 2025 £000	Total 2024 £000
Intangible and Tangible assets	24,344	-	71,692	-	96,038	96,400
Heritage assets	-	-	67,040	-	67,040	65,030
Fixed Investments	-	-	1,026	1,637	2,663	2,200
Net current assets	-	12,616	6,681	-	19,297	20,090
Long-term creditors	-	(6,060)	-	-	(6,060)	(10,063)
Total net assets	24,344	6,556	146,441	1,637	178,978	173,657

20. Cash flow information

Reconciliation of net income to net cash inflow from operating activities

	Notes	2025 £000	2024 £000
Net income for the reporting period		4,552	17,855
Adjustments for:			
Amortisation charges	9	209	183
Depreciation charges	10	1,867	2,868
Loss on disposal of property, plant and equipment	10	-	30
Dividends and interest	15	(210)	(200)
Unrealised gain from changes in foreign currency exchange rates		(17)	(50)
Gain on investments		(629)	(320)
Investment management fees	12	2	24
Donations of works of art - received	11	(1,851)	(350)
Working capital movements:			
Increase in stocks	13	(156)	(250)
Increase in debtors	14	(39)	(682)
Decrease in creditors	16	(565)	(1,874)
Increase in provisions	16	-	258
(Decrease)/increase in deferred income	16	(73)	45
Net cash inflow from operating activities		3,090	17,537

Analysis of cash and cash equivalents

	2025 £000	2024 £000
Balances held with commercial banks	12,028	9,647
Cash in hand	12	12
Cash balance at end of year	12,040	9,659

Analysis of changes in net debt

	At 31 Mar 2024 £000	Cash flows	Foreign exchange movements	At 31 Mar 2025 £000
Cash	9,659	2,398	(17)	12,040
Cash equivalents	-	-	-	-
Total	9,659	2,398	(17)	12,040
Loans falling due within 1 year	597	3,494	-	4,091
Loans falling due after more than 1 year	10,063	(4,003)	-	6,060
Total	10,660	(509)	-	10,151

21. Capital commitments

Capital Financial commitments

	2025 £000	2024 £000
Capital expenditure contracted for, but not provided in the accounts	-	125
Acquisition of works of art contracted for, but not provided in the accounts	5	5
Total	5	130

Capital Opening and Closing Financial commitments

	Capital expenditure £000	Works of art £000
Opening commitments at 31 March 2024	125	5
Less paid for during the year	(125)	-
Less commitments written out	-	-
Additional Commitments	-	1,184
Closing commitments at 31 March 2025	-	1,189

Prior year comparative

	Capital expenditure £000	Works of art £000
Opening commitments at 31 March 2023	663	18
Less paid for during the year	(276)	(18)
Less commitments written out	(352)	-
Additional commitments	90	5
Closing commitments at 31 March 2024	125	5

Commitments to acquire works of art are made throughout the year with the timing of payments dependent upon bringing the work into the National Portrait Gallery'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.

22. Subsidiaries

The Board of Trustees of the National Portrait Gallery owns the whole of the issued share capital of the National Portrait Gallery Company Limited (Company Number 06015724), comprising 1 ordinary share of £1.

The National Portrait Gallery Company Limited

The National Portrait Gallery Company Limited's principal activities comprise the management and operation of restaurant, café and ancillary services for the benefit of visitors to the National Portrait Gallery; venue hire; and the sale of books and other products and merchandise associated with the Collection and the National Portrait Gallery activities.

Balance Sheet figures taken from the National Portrait Gallery Company Limited accounts

	2025 £000	2024 £000
Fixed assets	-	-
Current assets	3,217	2,055
Current liabilities	(3,217)	(2,060)
Long-term liabilities	-	-
Net liabilities	-	(5)
Capital and reserves	-	(5)
Total capital and reserves	-	(5)

Current assets include stock (goods for resale) of £772k (£616k in 2023-24).

Profit and loss figures taken from the National Portrait Gallery Company Limited accounts

	2025 £000	2024 £000
Turnover	5,573	4,260
Cost of sales	(1,944)	(1,731)
Gross profit	3,629	2,529
Other income	-	-
Administrative expenses	(2,410)	(2,329)
Trading profit	1,219	200
Interest receivable	20	21
Net contribution	1,239	221

The profits of the National Portrait Gallery Company Limited are gift-aided to the National Portrait Gallery via a Deed of Covenant.

23. Related party transactions

The National Portrait Gallery is a Non-Departmental Public Body whose sponsoring body is the DCMS. The DCMS is regarded as a related party. During the year the National Portrait Gallery had a number of transactions with the Department and with other entities for which the Department is the sponsor, for example; the National Lottery Heritage Fund, the National Gallery, Tate, and the Victoria & Albert Museum.

The National Portrait Gallery also entered into transactions with other related parties during the year as set out below. Where the nature of the relationship is stated as 'Trustee' that should be taken to mean 'Trustee of the National Portrait Gallery'.

Party	Nature of Relationship	Transaction	Income for the year ended March 2025	Expenditure for the year ended March 2025	Debtor balance as at March 2025	Creditor balance as at March 2025
Ross Foundation	David Ross is the Chair of the Board of Trustees of the National Portrait Gallery and a Director of the Ross Foundation.	Donations for various events and also final donation for IP project	£502,500	-	-	-
Roger Blundell	Trustee	Membership	£145	-	-	-
Dr Rachel Wang	Trustee	Membership	£38	-	-	-
Professor Shearer West CBE	Trustee	Membership	£66	-	-	-
The Rt. Hon. Chris Grayling PC	Trustee	Membership	£155	-	-	-
Inaya Folarin Iman	Trustee	Membership	£90	-	-	-
Blake Shorthouse	Trustee	Hosted an offsite dinner for potential donors	£1000	-	-	-
Clive Humby	Trustee	Membership	£265	-	-	-
Robert Suss	Trustee	Patron membership	£2,000	-	-	-

Jeremy Sillem, a co-opted member of the Investment Committee, is a shareholder with Partners Capital LLP. Partners Capital LLP are the Gallery's investment advisors with £14.7m of the Gallery's reserves under management.

Prior year comparative

Party	Nature of Relationship	Transaction	Income for the year ended March 2024	Expenditure for the year ended March 2024	Debtor balance as at March 2024	Creditor balance as at March 2024
Ross Foundation	David Ross is the Chair of the Board of Trustees of the National Portrait Gallery and a Director of the Ross Foundation.	Donation to support the <i>Inspiring People</i> Project	£1,024,000	-	-	-
Ross Foundation	David Ross is the Founder of Nevill Holt Opera and a Trustee of the National Portrait Gallery	Purchased a table at the Portrait Gala	£25,000	-	-	-
Ross Foundation	David Ross is the Founder of Nevill Holt Opera and a Trustee of the National Portrait Gallery	Donation to support the Adopt a Portrait campaign	£17,500	-	-	-
Ross Foundation	David Ross is the Founder of Nevill Holt Opera and a Trustee of the National Portrait Gallery	Contribution towards artwork transport and Patrons' dinner	£3,821	-	-	-
Björn Savén CBE	Trustee	Donation towards the <i>Mai (Omai)</i> fundraising campaign	£100,000	-	-	-
Björn Savén CBE	Trustee	Purchased a table at the Portrait Gala	£14,500	-	-	-
Blake Shorthouse	Trustee	Purchased a table at the Portrait Gala	£12,500	-	£12,500	-
Blake Shorthouse	Trustee	Donation to support the Adopt a Portrait campaign	£10,000	-	-	-
Blake Shorthouse	Trustee	Patron membership	£625	-	-	-
Rt Hon Chris Grayling PC	Trustee	Membership	£71	-	-	-
Inaya Folarin Iman	Trustee	Membership	£75	-	-	-
Sir Peter Stothard	Trustee	Membership	£417	-	-	-
Dr Mark Cecil	Trustee	Gala donation	£1,000	-	-	-
Jonathan Yeo	Trustee	Membership	£75	-	-	-
Marcus Harling	Trustee	Membership	£75	-	-	-
Dr Rachel Wang	Trustee	Membership	£94	-	-	-
Roger Blundell FCA	Trustee	Membership	£121	-	-	-
Professor Shearer West CBE	Trustee	Membership	£51	-	-	-

24. Financial instruments

FRS102 Section 11, Basic Financial Instruments required entities to provide disclosures which allow users of the accounts to evaluate the significance of financial instruments for the entity's financial position and performance and the nature and extent of risks arising from financial instruments during this period.

As a significant proportion of the cash requirements of the Gallery 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

The National Portrait Gallery is exposed to a credit risk of £812k representing trade debtors (£485k in 2023-24), however the risk is not considered significant as major customers are known to the National Portrait Gallery.

Cash is held by the National Portrait Gallery's bankers. The charity has not suffered any loss in relation to cash held by its bankers. See note 15.

Liquidity risk

The National Portrait Gallery manages liquidity risk through its reserves policy and regular monitoring of cashflows. As a result, the National Portrait Gallery is not exposed to significant liquidity risks. There are sufficient funds to cover existing current liabilities.

Market risk

The National Portrait Gallery is not exposed to significant market risk from financial instruments. Interest and investment losses represent less than 3% of the total incoming resources for the National Portrait Gallery (less than 1% in 2023-24). The National Portrait Gallery is therefore not exposed to significant interest or investment risk.

Foreign currency risk

The National Portrait Gallery's exposure to foreign currency risk is not significant.

25. Post balance sheet events

There are no post balance sheet events to disclose.

26. Approval of accounts

The annual report and accounts were approved by the Accounting Officer and Trustees on 14 July 2025 and authorised for issue on the date they were certified by the Comptroller and Auditor General.

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978-1-5286-5536-1