



Department
for Culture,
Media & Sport

Annual Report & Accounts

For the Year Ended 31 March 2025



Department for Culture, Media and Sport

Annual report and accounts for the year ended 31 March 2025

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This is part of a series of departmental publications which, along with the Main Estimates 2025-26 and the document Public Expenditure: Statistical Analyses 2025, present the government's outturn for 2024-25 and planned expenditure for 2025-26.



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CONTENTS

Foreword by the Secretary of State	6
Permanent Secretary's Review	7
Performance Report	9
Overview	9
Our purpose	9
Outturn by business area	10
Key achievements	11
Public bodies	23
Risks affecting delivery	23
Performance analysis	25
Outcome 1	25
Outcome 2	32
Outcome 3	40
Breakdown of Resource by Business Area	44
Accountability Report	47
Corporate governance report	47
Director's report	47
Performance in other areas	51
Statement of Accounting Officer's responsibilities	58
Governance statement	60
Remuneration report	76
Staff report	88
Parliamentary accountability and audit report	95
The Certificate and Report of the Comptroller and Auditor General to the House of Commons	120
Primary statements	133
Consolidated Statement of comprehensive net expenditure	133
Consolidated Statement of financial position	134
Consolidated Statement of cash flows	136
Statement of changes in taxpayers' equity (Core department)	138
Consolidated Statement of changes in taxpayers' equity	139
Notes	140
Annexes	216
Annex A – Core tables	216
Annex B – Sustainability	224
Annex C – Disaggregated information on Arm's Length Bodies (2024-25)	230
Annex D – Other areas of significant expenditure	231
Annex E – Reconciliation of contingent liabilities included in the supply estimate to the accounts	232

INTRODUCTION

Foreword by the Secretary of State



Lisa Nandy MP

Secretary of State for
Culture, Media and
Sport

When I became Culture Secretary last July, I knew this was one of the most exciting and important roles in government. The work of the Department for Culture, Media and Sport reaches into every part of our national life, from the sports clubs and community groups that bring people together, to the industries that power our economy and shape how the world sees us.

But this department is about more than culture, media and sport. It's about potential. It's about making sure that talent and opportunity aren't limited to a privileged few or concentrated in a handful of places. It's about connecting every part of the country to our shared national story and making sure that everyone's contribution is seen and valued.

This report captures a year of progress where we've focused on creating good jobs in every place, fostering richer lives with opportunities for all, and forging a more socially cohesive country with a richer national story. All of this is at the heart of delivering the government's Plan for Change.

Our Creative Industries Sector Plan sets out a national mission to back one of the UK's greatest strengths. With an investment of £380m we are supporting innovation across the UK and backing growth right across the country. Complementing this, the multi-billion-pound international investment in a major new Universal theme park is a powerful sign of regional renewal. It shows that Britain is open for business and ready to deliver the jobs and opportunities that local communities deserve.

This focus on growth and investment is about building a stronger, fairer country for the next generation. That's why I'm so passionate about our upcoming National Youth Strategy, because every young person deserves the chance to thrive, wherever they grow up. We've listened to and engaged with over 14,000 young people because

their voices matter. Every young person deserves someone who believes in them, somewhere they belong, and a community that values them. This is backed by £132.5 million of dormant assets funding, which will provide access to culture, the arts and sport for young people, under the banner of Every Child Can.

I believe in the power of the arts to bring people together and strengthen our communities. That is why our £270 million Arts Everywhere Fund will support jobs and creative skills, and weave the arts into the social fabric of communities across the country. Our commitment to sports and physical activity is also evident with the additional £100 million for the UK-wide Multi-Sports Grassroots Facilities Programme, helping people across the country to stay active and connect with each other.

A strong, independent media matters more than ever to our democracy. We've carried out extensive work ahead of kicking off the Charter Review that will secure a sustainable future for the BBC. Our commitment is to ensure the public has access to news and information they can trust in an era of increasing mis- and disinformation.

This year we've also shown what Britain does best bringing people together in communities across the country. I was particularly proud that the department played such a key role supporting the magnificent VE Day 80 and VJ Day 80 commemorations that honoured our veterans and brought the country together.

We have also shone the spotlight on an amazing summer of women's sport, with the Lionesses defending their title in this year's UEFA Women's Euros, and the Red Roses becoming world champions at the 2025 Women's Rugby World Cup, which we hosted. We are also strengthening our pipeline of major sporting events further as hosts of UEFA Euro 2028 across England, Scotland and Wales, and alongside Ireland, and the Grand Depart of the 2027 Tour de France and Tour De France Femmes.

We are showing that the UK's rich culture and world-class sport are not just part of our national identity, they are part of the everyday life of our communities. There is so much to look forward to as we work to change this country for the better.

Permanent Secretary's Review



Susannah Storey

Principal Accounting
Officer and Permanent
Secretary

I am pleased to present this foreword to the Annual Report and Accounts for the Department for Culture, Media and Sport for the financial year 2024-25. I have the privilege of leading a department rightly known for its significant policy agenda, which drives economic growth across the country, creates opportunities for all, and seeks to foster a more socially cohesive country with an inclusive national story. This report reflects the significant contributions and achievements of DCMS during this period.

We were pleased to welcome Jude Kelly CBE and Janet Pope as Non-Executive Directors on our Departmental Board following their appointment by the Secretary of State in April this year. Together with Claudia Arney, our lead Non-Executive Director, they bring a wealth of experience from across the creative industries, arts, charities and public service, and will provide the department with expert guidance and advice on our strategic direction. I want to thank the previous NEDs Simon Ball, Dame Patricia Hodgson, Larissa Joy, and Ralph Rimmer for their dedicated service to DCMS until 31 December 2024.

On the corporate side, I was delighted to welcome Will Macfarlane on 28 April 2025. When his departure to return to HMT was announced on 8 September 2025 I was delighted to welcome Emma Ward from DfT. During this year we have restructured the department at DG level to rebalance portfolios bringing together a new corporate centre that will give additional capacity and cross-function strategic leadership, and ensure greater alignment to the Secretary of State's priorities, the Government's Missions and Plan for Change.

As the Secretary of State says in her foreword, the sectors that the department supports play a critical role in supporting economic growth across the country. There has been a huge amount of progress across our agenda and this is set out in this report and accounts.

Most recently:

In June 2025, we published the Creative Industries Sector Plan, with £380 million announced in targeted funding to drive innovation, regional growth and investment. The Government's ambition is that every corner of this country will flourish as part of the UK's position as a creative superpower, which is why the Sector Plan has set out an ambitious target to increase annual investment in the Creative Industries from £17 billion to £31 billion by 2035. The Creative Industries are just one part of DCMS' growth-driving agenda. We are also backing our dynamic visitor economy, elite sport, world-class major events, and the vital role our sectors play in strengthening the UK's soft power and desirability as a location for business and individuals to grow and invest. We have delivered significant inward investment with the work we conducted across government towards securing a multi-billion pound transformational investment from Universal Destinations and Experiences in Bedford, which we announced in April 2025. This work will be pivotal in attracting wider investment and increasing both visitor numbers and spend in the wider UK Visitor Economy.

DCMS's work has also demonstrated the power of our creative and sporting assets in foreign policy matters: in July President Macron and the Prime Minister announced the loan of the Bayeux Tapestry from France to the British Museum, and the loan of the Sutton Hoo treasures, the Lewis Chessmen, and artefacts representing the UK to museums in Normandy. This blockbuster exhibition, coinciding with the international celebrations of the Year of the Normans in 2027, will provide a once-in-a-lifetime opportunity for millions to engage with this seminal artwork and cultural icon, and is a perfect symbol of the UK's long relationship with France, as one of our closest neighbours.

As part of the Government's mission to improve opportunity, DCMS is co-designing a new National Youth Strategy with young people and the youth sector to improve youth services and break down barriers to opportunities for young people. Significant investment has been directed towards enhancing youth services through the building, renovation, and expansion of over 250 projects nationwide, supported by robust national partnerships. DCMS has also focused on making arts accessible to everyone, investing significantly in arts venues, museums, libraries, and heritage. Over £270 million was announced in

February for these sectors, including the Creative Foundations Fund and continued support from Arts Council England. In 24/25 we granted over £480 million to DCMS museums and galleries including for infrastructure and maintenance.

Looking ahead, in June 2025, the Secretary of State outlined a £500 million commitment to support a host of world class sporting events being held in the UK over the coming years. Alongside this, at least £400 million will be invested in new and upgraded grassroots sport facilities that promote health, wellbeing and community cohesion. The UK-wide Multi-Sports Grassroots Facilities Programme continues to improve accessibility to sports with strengthened objectives on supporting multi-sport sites in areas of deprivation and for under-represented groups. The Football Governance Act achieved Royal Assent in July 2025 in a landmark moment for the sport. It will establish a new Independent Football Regulator to ensure clubs are financially sustainable and are kept at the centre of their communities.

In addition, DCMS continues to play a significant role in supporting social cohesion and building a positive national story. As the Secretary of State also mentions in her foreword, I am proud of the department's significant role in organising the country's VE Day 80 and VJ Day 80 commemorations, which helped bring the country together. This year, we led an extensive period of engagement to support the development of the Civil Society Covenant, which will build a new partnership in which civil society is fully valued and integral to the delivery of the Government's plan for a decade of national renewal. We also led extensive work and engagement in preparation for the forthcoming BBC Charter Review and developed the Local Media Strategy to help ensure that both national and local level media can continue to play an invaluable role as key channels of trustworthy information.

DCMS has an extraordinary family of Arms Length Bodies that work tirelessly across our agenda. I

am grateful to their leadership and staff for all of their hard work. This year we have also started a programme to review our Arms Length Body portfolio to ensure DCMS's public bodies are as productive and efficient as possible. The Secretary of State has set out her commitment to improving diversity in appointments, and the department has been implementing changes to appointments processes, and outreach to attract a diverse range of applicants.

Finally, it is important to note that in June this year, DCMS secured £8.2 billion over the next Spending Review period, which is positive in light of the difficult fiscal context and will enable us to continue to deliver our objectives. It is a testament to DCMS sectors' importance in our society and economy, and provides essential stability for the department and its partner organisations.

I am proud of the wide range and significance of these accomplishments. We have transformed the Department in support of this Government's agenda with the range of outcomes set out in this Report and Accounts. I want to thank DCMS staff and stakeholders for all of their hard work on this agenda this year. Looking forward, I am confident of DCMS' continued commitment to delivering for the nation across all its important sectors in 2025-26 and beyond.

PERFORMANCE REPORT

Overview

This section provides a summary of the Department for Culture, Media and Sport (DCMS) - its purpose, objectives, key risks, and how it has performed during the past year. The report also gives a breakdown of spending in the 2024-25 financial year.

Our purpose

Over the last 30 years, DCMS has been celebrating what makes life in the UK unique. From culture and arts to media, sport, tourism and civil society. We work to support these areas and highlight their importance.

Our sectors are a huge driver of economic growth and opportunities throughout the country. They are worth £220 billion, support 4 million jobs and are a source of soft power and pride for Britain abroad. The growth they generate places DCMS right at the heart of the government's mission to kickstart economic growth in all parts of the country.

DCMS helps break down barriers to opportunities. Our sectors equip children and young people with essential skills for life which can in turn improve their educational and employment opportunities. Through sports and physical activity but also the arts and cultural sector, our department supports the health and wellbeing of the population, so that they can enjoy richer lives.

DCMS industries don't just help our economy – they shape our way of life and how the world sees us.

We work with some of the most exciting sectors that shape our national story. From film and TV to museums, galleries, sports and youth clubs, these are the things that bring value and joy to people's lives and help to build local communities and a diverse and inclusive national identity. We want everyone, no matter where they live, to feel their life is richer and their contributions are truly valued, as part of an inclusive national story.

Our objectives

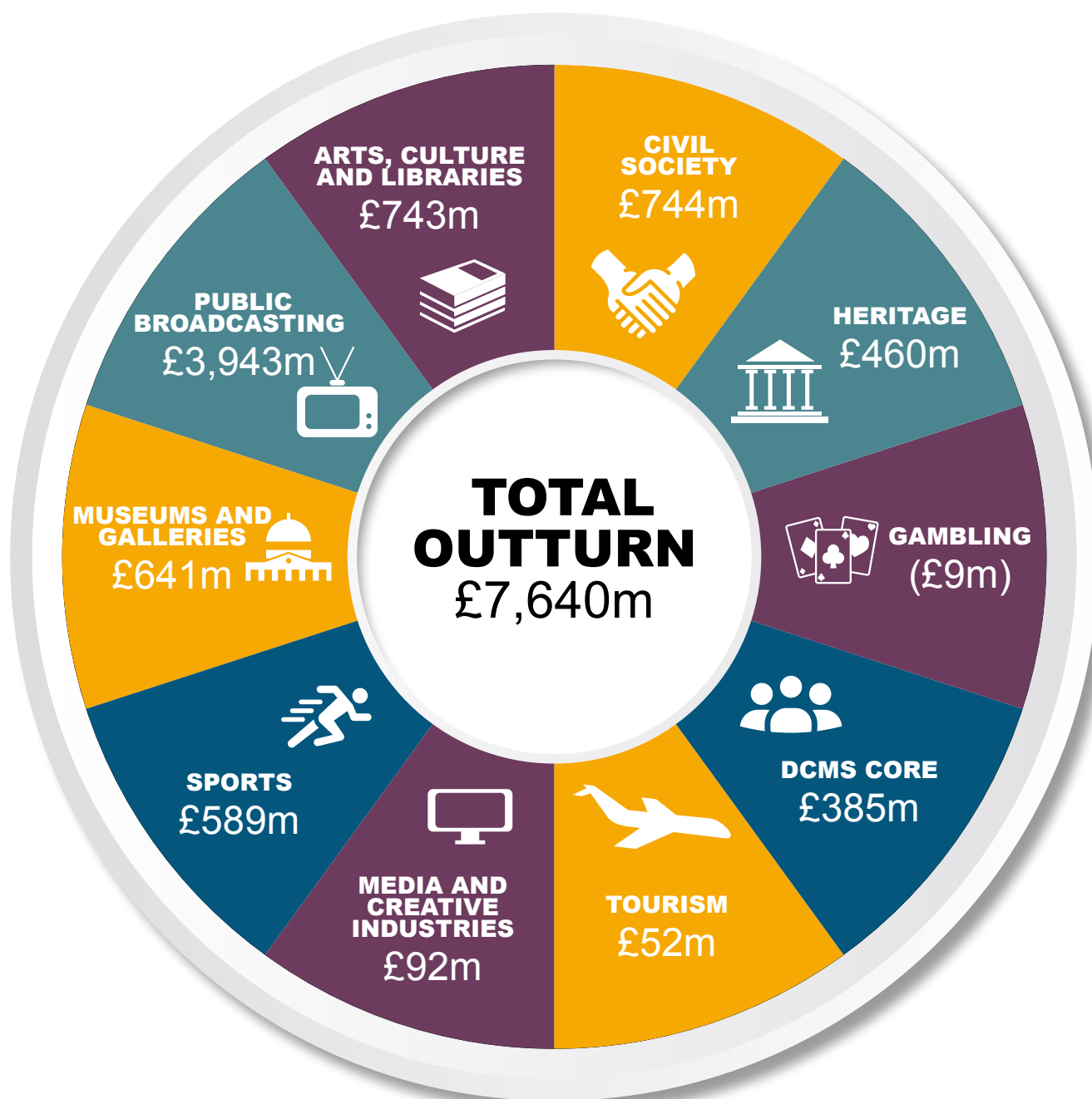
Following the arrival of the new Government in July 2024, a new set of priority outcomes were introduced which demonstrate the current aims and vision the Department has for the country. These are:

1. Growth and good jobs in every place.
2. Richer lives with choices and opportunities for all.
3. A more socially cohesive country with an inclusive national story.

For the period 1 April 2024 to the arrival of the new government, the DCMS priorities were:

1. Drive growth across all our sectors, including creative industries and tourism, and support local economies.
2. Create opportunity for young people and enrich communities, alongside our arm's-length bodies and charities sector, by increasing participation in, and expanding access to, grassroots sports, arts and heritage, libraries and youth services.
3. Showcase the UK to the world and boost our global reputation by delivering major cultural and sporting events across the country.
4. Deliver reforms to make our world class media sector fit for the 21st century, make the UK the safest place in the world to gamble, and protect the excellence and financial sustainability of English football, putting fans at the heart of clubs.

Outturn by business area



The DCMS Core figure includes expenditure supporting the various sectors as well as corporate expenditure.



Key achievements

Outcome 1: Growth and Good Jobs in Every Place (July '24 - March '25)

Over the course of the year we started to develop the Creative Industries Sector Plan which was announced in June 2025, this sets out our ambition for the UK to be the best place in the world to invest in creativity and innovation, underpinned by £380million investment. The Department supported other vital sectors including the arts, libraries, museums, and the visitor economy, which lead to richer lives and contribute significantly to the UK economy. DCMS also strengthened the UK's soft power capabilities through the establishment of the Soft Power Council, enhancing our global reputation and maintaining our international strategic advantage.

Cultural and Creative Industries

Creative Industries

The Industrial Strategy recognised the creative industries as a priority growth sector. We established a new Creative Industries Taskforce co-chaired by Baroness Shriti Vadera and Sir Peter Bazalgette to inform the development of the Creative Industries Sector Plan, an ambitious framework for growth of the sector to 2035.

The 2024 Autumn Budget announced funding for growth in the sector, including for the Discover! Creative Careers Programme and £25m of devolved local growth funding. A new visual

effects tax credit was also confirmed, alongside a new enhanced tax credit for independent film.

In January 2025, we announced a further £60 million of support for the sector, as well as commitments from the British Business Bank to increase its support for the creative industries, and from UK Research and Innovation to drive R&D led growth in the creative industries. This built the announcement in November of two new Creative Clusters in the West Midlands and Liverpool, as well as additional support for businesses to innovate with convergent technologies through the Arts and Humanities Research Council's £75.6m CoSTAR programme.

As announced in January 2025, we worked with DfE to bring forward shorter apprenticeships, with some of the first expected to be available to apprentices training as Screen and Audio Production Assistants, delivering greater flexibility for employers and learners and helping more people gain the skills they need. We also worked with DfE to launch new T Levels in Craft and Design and Media, Broadcast and Production in September 2024.

TV & Broadcasting

The Secretary of State used her address at the Royal Television Society in September 2024 to call on broadcasters to be more ambitious in growing our world-leading TV sector outside of London and the South East of England, and to commission content in every part of the country. Since then DCMS has been conducting detailed



engagement with the sector to understand the challenges in this space, and how the Government can support the industry in our shared objective to develop more vibrant and skilled screen sector clusters across the UK.

DCMS has also been preparing for the forthcoming BBC Charter Review. Following the announcement on 29 November 2024 about plans to ensure the BBC's financial sustainability, the Government has undertaken a range of engagement with the sector (including industry and academics). Through this stakeholder engagement DCMS has explored ways in which we can make sure that the BBC is responsive to the public in every part of Britain so that it is able to tell inclusive stories about the lives of all people, wherever they live and whatever their background.

Arts and Museums

In January 2025, working in partnership with Arts Council England, we announced a £16.2m investment in four projects through the Cultural Development Fund to unlock local growth and productivity, increase access to excellent creativity and culture, and regenerate communities.

We continued support to DCMS sponsored Museums and Galleries across the country, bolstering regional economies and other creative sectors, and championing the UK overseas. This included funding major capital projects, including the Natural History Museum's Unlocked programme, which is unlocking significant R&D opportunities.

The Autumn Budget recommitted to higher rates for Theatres (Theatre Tax Relief, TTR), and Orchestras (OTR) Tax Reliefs. This means

that from 1 April 2025, these rates were set at 40% (for non-touring productions) and 45% (for touring productions) rates of the TTR, and a 45% rate for OTR. (October 2024). We have also made a number of specific capital investments which will support the economic resilience of key parts of the theatre sector.

Cultural Diplomacy

Working with the Foreign, Commonwealth and Development Office, DCMS established the new Soft Power Council, and held the inaugural meeting in London, which will reinvigorate the UK's approach to soft power in order to boost our global reputation and retain our strategic advantage internationally (December 2024).

We also represented the UK as a new member at the annual Committee meeting of the UNESCO 2003 Convention for the Safeguarding of Intangible Cultural Heritage Committee meeting (December 2024).

We also supported the effective delivery of the UK-Ireland Summit, committing to shared delivery of a UK-Ireland Youth Forum and a Cultural Partnership Forum (March 2025). Supported two new UK sites to be inscribed on the World Heritage List - Flow Country in Scotland and Gracehill Moravian Church Settlement in Northern Ireland (July 2024).

We funded UNESCO to provide civil and military cultural property protection training for eight Central African countries and 11 South American countries. We also supported training in Egypt and Lebanon for over 50 law enforcement, prosecutors and heritage professionals.

Finally, we awarded £500,000 of emergency funding to UNESCO to support Ukrainian,



Lebanese and Palestinian heritage.

Visitor Economy

The UK's visitor economy is a key area for growth. Initiatives delivered this year include the launch of a new Visitor Economy Advisory Council (November 2024), which is co-designing a national growth strategy for publication in 2025 - including an ambition of 50 million inbound visits annually by 2030. VisitEngland has accredited 41 tourist boards as Local Visitor Economy Partnerships and extended funding for Destination Development Partnership pilots in the North East and the West Midlands (April 2024 - March 2025) which are exploring how to maximise regional growth. VisitBritain supported a record 36 business events, delivering a potential £27.5m in delegate spend (up from £24.5m in 2023), and launched the 'Starring GREAT Britain' campaign (January 2025) which uses films and TV shows to inspire more visitors to choose Britain.

Finally, we worked across government towards securing a multi-billion pound transformational investment from Universal Destinations and Experiences in Bedford which could attract wider investment and increase visitor numbers and spend in the wider UK Visitor Economy.

Bradford UK City of Culture 2025

We announced a further £5 million funding for Bradford UK City of Culture 2025 in December 2024 taking total government funding to £15

million. This will support Bradford UK City of Culture to create 6,500 jobs across Bradford District, deliver 6,000 training opportunities, and accelerate £700 million of growth for the district by 2030. (December 2024).

Outcome 2: Richer Lives With Choices and Opportunities for All (July '24 - March '25)

In 2024/25, DCMS invested over £250 million in youth programmes, including over £175 million in capital and resource funding for youth facilities. DCMS also invested £125m into grassroots sport facilities across the UK to reduce levels of physical inactivity and improve people's wellbeing.

We are co-producing a National Youth Strategy across government to give young people the skills, opportunities and connections they need to thrive. This will be backed by significant DCMS funding over the next Spending Review period to develop new youth facilities and improve existing ones as well as further funding to support local youth service provision.

Additionally, we announced that £132.5 million from the next tranche of dormant assets funding will be used to deliver better youth outcomes between 2024 and 2028, supporting provision of services, facilities and opportunities for young people across the country.



Cultural and Creative Industries

Arts

In the past year, DCMS has reflected on the legacy of Jennie Lee - pursuing her vision of “arts for everyone, everywhere”. The Secretary of State set out her vision of how to fulfil this legacy at an event in February 2025, and this principle has been guiding our work since.

In February we announced over £270 million ‘Arts Everywhere Fund’ - investment for our arts venues, museums, libraries and our heritage sector. This included the new Creative Foundations Fund, which will invest £85 million to support arts and cultural organisations across England and resolve urgent issues with their estates. The funding will not only drive economic growth but also unlock new opportunities for young people to engage with cultural venues. We also confirmed that DCMS will be contributing funding to four cultural education programmes for the next financial year to preserve increased access to arts for children and young people. These will be the Museums and Schools Programme, the Heritage Schools Programme, Art & Design National Saturday Clubs and the BFI Film Academy.

Arts Council England continued to support the arts and cultural sectors with exchequer and lottery money, including investing in its National Portfolio with over £440 million per annum. This supports nearly 1000 cultural organisations across England from national organisations of international standing, to smaller community-focussed arts charities.

We announced a review into how Arts Council England operates so it can support the arts in a fast-changing world, and to ensure every region across the country has access to high-quality arts and culture.

Libraries

We continue to support public libraries; we publish an annual report to Parliament on our activities to support the Secretary of State’s statutory responsibilities to superintend and promote the improvement of public libraries in England.

As part of the “Arts Everywhere” investment, we announced a fourth round (25/26) of the Libraries Improvement Fund (LIF) (February 2025).

Museums

We granted over £490 million to DCMS sponsored museums and galleries, including for major infrastructure and maintenance needs as part of continued core support and the 24/25 round of Public Bodies Infrastructure Fund (PBIF), to improve access and protect the nation’s collections.

Through the cultural gifts and acceptance in lieu schemes, some outstanding new objects were acquired by public collections, for example 116 objects from Ancient Egypt, including amulets, jewellery and watercolours, allocated to the University of Swansea.

In July 2024, the Treasure Act 1996 ensured that Chew Valley Hoard, the most valuable treasure find ever acquired at £4.3 million, could be acquired by South West Heritage Trust and



exhibited in the area it was found.

Creative Industries

DCMS is supporting opportunities for young people to engage with creative careers. In 2024/25, we provided £390k to ScreenSkills for delivery of the Creative Careers Programme, to raise young people's awareness of creative careers and pathways into them, and boost opportunities for those from backgrounds that are under-represented in the creative industries. In 2024, the programme's main vehicle for employer encounters, Discover! Creative Careers Week, reached over 33,000 students aged 11-18. The programme received an uplift to £3M p.a. at the Autumn Budget.

Youth Services

The Youth Investment Fund has continued to deliver and is investing over £300m over the life of the programme to build, renovate and expand youth provision at over 250 projects across England.

In November 2024, the Secretary of State announced the government's intention to wind

down the National Citizen Service programmes from the end of financial year 24/25 and to close the National Citizen Service Trust (the Royal Charter body which delivers the programmes). DCMS worked closely with The National Citizen Service Trust to support an orderly wind down of programme activity, and the Trust subsequently closed on 11th July 2025. In its final year, we provided the National Citizen Service Trust with £49.2 million in funding to deliver over 420,000 experiences to young people through a year-round offer, including residential, community-based (open to all and targeted) and digital experiences.

The department has funded a number other successful youth programmes during the year, including the Uniformed Youth Fund (£7.4m), Duke of Edinburgh Award (in partnership with DfE, £4.7m), Million Hours Fund (in partnership with TNCLF, £17.2m), iWill (£2m) and the UK Youth Parliament (£450,000).

Sport

We delivered £125 million investment into grassroots sport facilities across the UK through the Multi-Sport Grassroots Facilities Programme



in 2024/25. This investment has led to 637 completed projects across the UK.

In addition to our grassroots facilities investment through football, we worked with the Lawn Tennis Association (LTA) and Sport England to enable the successful conclusion of the Park Tennis Court Refurbishment and Swimming Pool Support Fund programmes. As of March 2025, these programmes supported 2,967 tennis courts across 917 parks and 234 leisure centres with swimming pools.

We continue our work to strengthen school sport and help children get physically active. In the 2023/24 academic year, the country-wide network of 450 School Games Organisers, jointly funded by us and the Department for Health and Social Care, provided 2.3 million opportunities for school children to engage in local and inclusive sporting competitions across 40 different sports and activities.

In February 2025, Sport England announced the first 53 places that would receive investment as part of their £250m Place Partnership programme committing both revenue and capital funding to programmes to deliver physical activity opportunities targeted at the most inactive in society.

We are dedicated to supporting women's sport. In 2024 we launched a Women's Football Taskforce to drive forward the recommendations from Karen Carney OBE's Independent Review of Women's Football (2023).

This Girl Can, Sport England's National Lottery funded campaign to get more women and girls active, celebrated its 10th anniversary in January 2025. Over three million more women are active compared to when it was launched, and eight in 10 women report it boosted their confidence to get active.

Civil Society & the Impact Economy

The Government is committed to resetting the relationship with civil society. The aim is to build a new partnership in which civil society is fully valued and heard and integral to delivery of the Government's plan for a decade of national renewal. In October 2024, as a first step towards this reset, the Prime Minister launched the Civil Society Covenant Framework. The final Covenant is intended to act as a principles-based foundation for the new relationship and will be published in Summer 2025.

The Government is also committed to support and improve the sector's infrastructure. The £25.5 million VCSE Energy Efficiency Scheme delivered 316 capital grants to voluntary, community and social enterprise organisations to help them improve their long-term energy efficiency via measures such as solar panels and heat pumps. (July 2024 - March 2025)

We established jointly with HMT a Social Impact Investment Advisory Group reporting to the Chief Secretary to the Treasury and Secretary of State for Culture, Media and Sport (February



2025). The group will provide recommendations on ways to effectively mobilise social impact capital, including Impact Investment Vehicles, and will provide views on existing work across government on impact capital.

The Life Chances Fund entered its final year of funding in 2024-25, continuing to support 29 social outcomes partnerships, working with 53 local commissioners. The programme supported over 54,000 people to improve their lives over the programme's 9 year lifespan. Projects tackled issues such as health, employment and housing. DCMS created funding partnerships with local commissioners to pay for the measurable outcomes achieved.

We announced £440 million of dormant assets funding for England would be allocated to youth (£132.5 million), financial inclusion (£132.5 million), social investment (£87.5 million) and community wealth funds (£87.5 million) in June 2025. We reached the milestone of £1 billion of dormant assets funding unlocked to support good causes and published the Dormant Assets Parliamentary Review in January 2025.

Government Art Collection

DCMS acquired over 50 new artworks to the Collection, including acquisitions by artists working in Northern Ireland and the Northwest, continuing the Art X-UK partnership with regional visual arts networks.

DCMS delivered 100 displays across the UK as well as new international displays in Warsaw and Lagos, delivering an expression of the UK's soft power in its Embassies, High Commissions and Ambassadors' Residences.

76 artworks from the Collection went out on loan

in public exhibitions, youth-curated displays and schools across the UK, with over 270,000 visitors confirmed to those exhibitions so far. This includes 'I Am Me', an exhibition of artworks from the Government Art Collection selected by 125 young people from Bradford, as part of the Bradford year as UK City of Culture 2025.

Outcome 3: A More Socially Cohesive Country With An Inclusive National Story (July '24 - March '25)

DCMS has been undertaking extensive preparation for the forthcoming BBC Charter Review, to make sure that the BBC is responsive to the public in every part of Britain and is able to tell inclusive stories about the lives of all people, wherever they live and whatever their background. We also started work on the Local Media Strategy to ensure a thriving local media can continue to play an invaluable role as a key channel of trustworthy information at local level. Finally, we worked on the Football Governance Bill (now Act) to empower fans and keep clubs at the heart of their communities. We also supported bids for major sporting events like the Women's World Cup and Tour de France, helping create shared experiences across the country.

Radio, Advertising and Press

The Secretary of State announced plans for a Local Media Strategy in September. The Strategy is intended to help ensure that a thriving local media can continue to play an invaluable role as a key channel of trustworthy information at local level, reporting on the issues that matter to communities, and reflecting their contributions and perspectives. DCMS is working across Government and with industry stakeholders on the strategy.



In December 2024, the National Committee for the Safety of Journalists was relaunched, chaired jointly by Minister Peacock and Minister for Safeguarding and Violence Against Women and Girls, Jess Phillips.

We introduced Community Radio Order, supporting the growth of the community radio sector.

Culture and Heritage Capital

The Culture and Heritage Capital Programme (CHC), is a world-leading research programme in partnership with our arms length bodies (ALBs) and Arts and Humanities Research Council (AHRC). We published the following research reports and guidance this year:

- [‘Embedding Culture and Heritage Capital’](#), which set out the ambitions of the programme: and provided definitions of assets, service and benefit flows; guidance for application of valuation methods; and summary of published research to date and future research. (December 2024).
- [‘Culture and Heritage Capital: Monetising the Impact of Culture and Heritage on Health and Wellbeing’](#) which monetises the impact of cultural and heritage engagement on health and wellbeing outcomes (December 2024).
- [‘Measuring the economic value of digital culture: a case study of the Art UK platform’](#). Co-authored with the Creative Industries Policy Evidence Centre (December 2024).

Pride in Britain

We worked with the Scottish Government to confirm UK Government support for Glasgow to host the 2026 Commonwealth Games. We delivered the remaining £70m Commonwealth Games Legacy Enhancement Fund, investing £53.4m across the West Midlands in 24/25.

We also announced the UK Government’s support for a bid by the Football Association to host FIFA’s 2035 Women’s World Cup. The UK were announced as securing the rights to host the Tour de France and Tour de France Femmes in 2027 which will be the first time both Grand Departs will be co-hosted outside of France.

We supported ongoing preparations alongside partners to host UEFA EURO 2028, which will be the largest sporting event the UK and Ireland have ever jointly hosted.

Heritage

Our arms length body The National Lottery Heritage Fund awarded £287.2 million in grants in 2024-2025, over £50 million more than in 2023-2024 (£234.5 million). Key projects funded this year include:

- Restoration of the Grade II* listed Jumbo Water Tower in Essex (£8m grant)
- Saving Birnbeck Pier in North Somerset (£10m grant)
- Protecting and returning to use the historic B-listed Glasgow Meat Market (£2.3m grant)



We supported 8,959 applications for the Listed Places of Worship Grant Scheme to a value of £42 million.

We continued the Heritage Schools Programme, previously funded by DfE. The programme uses local heritage to develop a sense of pride in children and foster an understanding of where they live. The programme is now funded by DCMS and delivered by Historic England.

We published an independent evaluation of the High Streets Heritage Action Zones (HSHAZ) Cultural Programme delivered by Historic England. The evaluation found benefits of the programme included the creation of around 700 jobs (March 2025).

We unveiled 3 Blue Plaques in 2024 as part of its national rollout of the Blue Plaques scheme, delivered by Historic England.

Appointments

The Secretary of State set out her commitment to improving diversity in appointments, ensuring our institutions represent the people they serve. DCMS has been implementing changes to appointments processes, and outreach to attract a diverse range of applicants.

Independent Football Regulator

The Football Governance Bill (now Act 2025) will establish an Independent Football Regulator and a new set of rules to protect clubs, empower fans and keep clubs at the heart of their communities. The Bill includes stronger measures requiring clubs to consult fans on ticket pricing, home stadium relocations, and fan representation at clubs.



This section sets out performance against DCMS's priority outcomes for the period to July 2024 including information on the highlights and progress made against them if not included in the above sections.

Outcome 1: Drive growth across all our sectors, including creative industries and tourism, and support local economies (April - July 2024)

Culture and Creative Industries

DCMS launched the third competition of the Create Growth Programme with InnovateUK, available to businesses in 12 regions across England as part of the programme's £10.9 million expansion (Launched May 2024). The competition funded 127 projects, providing £3.6 million of funding for innovation projects.

His Majesty The King hosted a Special Garden Party to celebrate culture and the creative industries. This brought together philanthropists, cultural and creative leaders and unsung heroes of creativity to champion the power of creativity and its importance to our society and economy.

Outcome 2: Create opportunity for young people and enrich communities, alongside our arm's-length bodies and charities sector, by increasing participation in, and expanding access to, grassroots sports, arts and heritage, libraries and youth services (April - July 2024)

Impact Economy

Established three philanthropy priorities (enable, encourage and recognise), and identified opportunities to promote these. This resulted



in an over five-fold increase of the number of philanthropists who received honours, with 13 specific citations awarded for philanthropy as part of June 2024's Birthday Honours, compared to two the year before.

Outcome 3: Showcase the UK to the world and boost our global reputation by delivering major cultural and sporting events across the country (April - July 2024)

Major Sporting Events

Supported the safe and successful delivery of the UEFA Champions League Final at Wembley as well as a 5 day family festival in central London. As one of the biggest one-off sporting events in the world, the final delivered £75.4m in GVA and created 1,472 full time jobs.

We championed the iconic annual sporting events that are watched across the world including Wimbledon (transmitted live to over 200 territories, attendance of 526,455 across the fortnight) and the British Grand Prix (audience of 79m, weekend attendance of 480,000).

International and soft power

Supported a range of international ministerial visits and engagements including:

- Parliamentary Under Secretary of State, Lord Parkinson, opened the British Pavilion at the Venice Art Biennale showcasing work by world-renowned artist and filmmaker Sir John Akomfrah (April 2024)

DCMS represented the UK at the relaunch of the UK-Germany Cultural Commission, at which UK and German partners discussed a range of shared interests and ways to enhance our strong people-to-people connections (May 2024).

Outcome 4: Deliver reforms to make our world class media sector fit for the 21st century, make the UK the safest place in the world to gamble, and protect the excellence and financial sustainability of English football, putting fans at the heart of clubs (April - July 2024)

Press, Radio, and Media Freedom

Worked across government, with regulators and stakeholders to deliver actions in the Strategic Lawsuits Against Public Participation (SLAPPs) Taskforce workplan (July 2024).

We continued to support the National Committee for the Safety of Journalists and delivery of the national Action Plan for the Safety of Journalists (April - July 2024)

We also continued to engage with an industry led Journalism and AI Working Group, providing support as the group prepared a series of recommendations for Government on how to mitigate the risks of AI to journalism (April-July 2024)

Strengthened protections for media freedom by introducing legislation to ban foreign states from controlling newspapers, or news magazines,



through the Digital Markets, Competition, and Consumer Bill.

Gambling and Lotteries

Following on from the 'High stakes: gambling reform for the digital age' white paper (which was published in April 2023), in January 2025 the Government introduced legislation to enact key reform measures, including the introduction of a statutory levy on gambling operators to pay for research, prevention and treatment of gambling harm and the introduction of online slot stake limits, set at £5 per spin for over 24s and £2 per spin for 18-24 year olds.

Football Regulation

A strengthened Football Governance Bill completed its passage through the House of Lords and was introduced to the House of Commons (March 2025).

A Shadow Regulator Team, led by an Interim Chief Operating Officer has continued to undertake preparatory work to set up the Regulator and its regime.

Significant progress has been made on the process to appoint the inaugural Chair and Non-Executive Directors of the Regulator, who are expected to be appointed on a designate basis until the Football Governance Bill is granted Royal Assent.

Sport and Culture Loans

Over 220 sports and cultural organisations have continued to benefit from the loan funding provided as part of the Culture Recovery Fund and Sport Survival Package. Between April 2024 and March 2025, over £33 million was repaid by borrowers to the Exchequer, including six borrowers settling their loan obligations in full.

The National Audit Office completed their review of the Covid-19 Loan Book, publishing in December 2024, and there was a follow up evidence session at the Public Accounts Committee in February 2025.

Public bodies

Throughout the 2024-25 Financial Year DCMS had 42 Public Bodies in total, of which 33 were consolidated into DCMS accounts (see note 24).

Strategic risks

Strategic risks affecting delivery continue to be effectively monitored and managed at project and programme level, with the most significant strategic risks captured on the departmental Executive Risk Register, for monthly review at the Executive Board. DCMS has a specialist risk management team to oversee risk management and improve risk culture. The risk management team provides risk reports to the Executive Board and its sub committees, and the Audit and Risk Committee, ensuring each strategic risk is reviewed at the appropriate senior level. Further information on how risk management is embedded within the department is included in the Governance Statement.

The table below highlights the strategic risks faced by the department during 2024-25. Most of the risks are not new but the department has continued to invest in appropriate mitigations to address them. We have newly articulated risks around events affecting our sectors, policy delivery and professional sports clubs entering administration. We have combined the risk of impacts to the cultural and sport sectors of Local Authorities funding arrangements into our external events affecting sectors' risks. Although this specific risk has decreased due to engagement with Local authorities and support from the Ministry of Housing, Communities and Local Government, the overarching risk remains static as differing external events arise. There is a new risk in relation to artificial intelligence covering DCMS' ability to adopt it to maximise benefits and efficiencies whilst minimising threats and in relation to media mergers.

Strategic Risk	Risk description	Mitigation	Trend ↑↔↓
Departmental capacity, capability and resilience	DCMS may not be able to attract and retain high-performing skilled staff, including in specialist skilled areas, due to competitive labour markets, departmental changes, reduced staff wellbeing and/or financial constraints. This could impact staff wellbeing; and without adequate resourcing contingency plans it may not be able to fully deliver on short term programmes, and unplanned incidents such a cyber-attack.	Risk management processes help us to identify potential areas of resourcing risk in advance of decision-making. DCMS has established a pool of volunteers who could be stood up to work as part of a crisis coordination hub to respond to a crisis. In the longer term, we continue to protect our people through a new workforce strategy and people plan. DCMS continues to look at a range of retention strategies such as: pay, career pathways strategy, learning and development, and employee value proposition projects.	↔
Cyber attack	The department and/or a Public Body may suffer loss of service and/or data leakage if a successful cyber attack occurs.	Security layers are in place, including engagement with the National Cyber Security Centre (NCSC) and other Government security experts, employment of Google Workspace continuity services, threat monitoring, staff comms, reviewing and improving cyber defences and incident response plans against NCSC advice and GovAssure standards. Lessons from a cyber-attack at the British Library have been published.	↔
Corporate services operational maturity	Without a strategic approach to systems and data, localised technology systems may be developed with a lack of shared knowledge and interoperability, this may result in inefficiencies, increased risk of error, and lost opportunities to exploit data or new technologies to their fullest.	DCMS has invested in Digital, Data and Technology (DDAT) capacity which will provide support for corporate systems development. DCMS plans to migrate its technology platform to align with other government departments to improve collaboration and create opportunities to adopt emerging technologies. DCMS finance, HR and commercial systems are due to be integrated as part of the cross-government shared services programme.	↔

Strategic Risk	Risk description	Mitigation	Trend ↑↔↓
Inability to deliver environmental sustainability goals	DCMS may not be able to meet cross-government climate requirements due not having the capability needed to assess climate adaptation and net zero targets in our policy and operations.	DCMS created an action plan to map work the department needs to undertake and capability required to do so.	↔
Public body governance and delivery	DCMS public bodies may not able to deliver DCMS priorities due to: • mis-aligned priorities, • failure to implement governance arrangements and standards consistent with best practice, and/or • financial pressures.	DCMS has a partnership regime in place, including: framework documents to set out the sponsorship relationship and expectations; quarterly partnership meetings to review objectives; a risk escalation framework; chair appraisals; attendance/ paper reviews of audit committees.	↔
External events affecting our sectors	Economic, commercial or technological events arise and impact our sectors and we fail to respond appropriately to protect those sectors. Examples include: Local Authorities' financial difficulties impacting their funding for arts, culture and sporting sectors, AI impacts on creativity sectors, financial sustainability of the wider sport/culture and creative industries.	Regular engagement with stakeholders to identify trends and potential impacts of sectors.	↔
Policy Project delivery	We fail to deliver key objectives or events in a way that maximises value for money. Examples include: management of COVID Loan Book, youth investment fund, Independent Football Regulator, 4th National Lottery Licence (more information on page 71), Euro 28, NCS closure and VE/VJ day.	Established assurance and risk management processes are in place to monitor performance and identify corrective actions that need to be taken throughout the delivery process.	↔
Professional sports clubs entering administration impacting local community and wider work such as grassroots sport	The Government works closely with the sports sector. This includes the work to establish and Independent Football Regulator to support the financial sustainability of clubs and work with other sports such as the Professional Rugby Union who were supported with emergency loans through the COVID period.	Independent Football Regulator Act has obtained Royal Asset and is being established. Clubs with COVID loans continue to be supported	↔
Media mergers raise negative public interest considerations	Mergers between organisations in the media sector give rise to potential negative impacts on public interest considerations, including foreign state influence and control of newspaper enterprises.	Mitigations may include timely and effective use of quasi-judicial legislative powers.	NEW
AI	Failure to maximise benefits of AI whilst balancing the threats within DCMS.	Completed reviews and assessments of AI Trial programmes in flight. AI Learning and Development opportunities provided to staff. Working towards the Implementation of MS365 Joined up approach with cross government initiatives	NEW

Performance analysis

Outcome 1: Growth and Good Jobs in Every Place (July 24 - March 25)

Note: Data is formatted in the tables below showing the data for 2024/25, or from the most recent iteration. The source, release schedule, and link to the data is noted for each set of data.

Monthly GVA of DCMS sectors

Sector-level Gross Value Added (GVA) is our main indicator of growth in DCMS sectors. It

is driven by a variety of factors, including the activity of the department. GVA of reported DCMS Sectors (excluding Tourism) in March 2025 was 5.3% above February 2020 levels, which was the most recent month prior to pandemic measures being introduced in the UK. By comparison, GVA for the whole UK economy was 4.6% higher than in February 2020.

Time Period	GVA (£m)					
	Total DCMS (excl. tourism)	Civil Society	Creative Industries	Cultural Sector	Gambling	Sport
April - June 2024						
April 2024	13,714	1,443	10,392	2,861	381	1,516
May 2024	13,570	1,446	10,225	2,773	379	1,535
June 2024	13,651	1,443	10,332	2,782	374	1,520
July 2024 - March 2025						
July 2024	13,646	1,438	10,337	2,780	367	1,517
August 2024	13,696	1,443	10,379	2,784	361	1,528
September 2024	13,555	1,444	10,237	2,775	357	1,526
October 2024	13,488	1,440	10,176	2,720	355	1,523
November 2024	13,554	1,441	10,255	2,780	355	1,509
December 2024	13,732	1,447	10,392	2,909	354	1,548
January 2025	13,673	1,448	10,364	2,861	355	1,513
February 2025	13,914	1,444	10,574	2,893	355	1,546
March 2025	14,104	1,439	10,699	2,906	355	1,610

Source: DCMS Economic Estimates

Notes:

- Source: This data is correct as of the DCMS Sectors Economic Estimates: Monthly GVA (to March 2025) release, published in May 2025.
- Release schedule: Quarterly
- <https://www.gov.uk/government/collections/dcms-sector-economic-estimates-gross-value-added>
- Monthly GVA estimates are based on incomplete information and should only be used to illustrate general trends, rather than be taken as definitive measures.
- Monthly GVA figures are our earliest provisional estimates and subject to revision on a monthly basis when the underlying datasets are updated.
- These GVA figures are in chained volume measures (i.e. are adjusted for inflation) and in 2022 prices.
- Due to overlap between sectors, GVA cannot be summed together for individual sectors as this will result in double counting.
- With reference to the GVA of the Gambling sector, the government has been clear that it recognises the value of a responsible industry which protects players, provides jobs and pays taxes. The Department's interest is in ensuring we have the right regulatory framework which balances this with the need to protect children, vulnerable people and wider communities from harm.
- Civil Society in the table represents nonmarket charities sitting in the Non-profit Institutions Serving Households sector. This is an underestimate for the sector and does not include market provider charities who have passed the market test and therefore sit in the corporate sector, social enterprises and mutuals.

Arts

During this period we have been mindful of a challenging operating environment for arts and culture, with pressures on the sector arising from increasing costs paired with a challenging funding environment. There are areas of success, with the representative body for West End theatre reporting strong audience numbers and record revenue. Government action in this area has been focussed on resilience of the sector and supporting growth.

In October 2024 we negotiated a Spending Review Phase 1 settlement for Arts Council England, which has allowed them to offer all

National Portfolio Organisations a funding uplift of 1.61% in financial year 2025-26. This cash increase will help organisations weather the challenges of the current operating environment, and build their resilience.

In January 2025, working in partnership with Arts Council England, we announced a £16.2m investment in four projects through the Cultural Development Fund to unlock local growth and productivity, increase access to excellent creativity and culture, and regenerate communities. This is supporting:

- Centre for Writing in Newcastle - a new creative centre for the written word, will strengthen Newcastle's position as a national centre of excellence for writing and publishing. The centre is expected to support over 100 trainees and attract 35 creative businesses to the city (£5 million);
- Glassworks in Sunderland - a new world class facility for glass making in Sunderland that will connect the city's 1350 years of glassmaking heritage (£5 million);
- The Tropicana in Weston-super-Mare - a cultural venue in North Somerset, to complete the final development phase and transformation of the historic seafront complex into a flagship cultural centre in Weston-super-Mare (£2.7 million).
- Harmony Works in Sheffield - a music education centre in Sheffield, to transform a vacant Grade II listed building into a music education centre where young people from all backgrounds will be able to explore and hone their musical talents (£3.5 million).

We have also made a number of specific capital investments which will support the economic resilience of key parts of the theatre sector, including a major capital investment totalling over £25m in the National Theatre, and a £1.5m investment to support Theatr Clwyd in North Wales - one of Wales' most important producing theatres. Following our investment, Theatre Clwyd has reopened to much acclaim in summer 2025. Works at the National Theatre are well underway and DCMS continues to contribute to project oversight.

Museums

DCMS continued to provide Grant-in-aid support to our sponsored Museums and Galleries across the country, to help bolster regional economies and other creative sectors, and champion the UK overseas.

As part of the Secretary of State's 'Jennie Lee - Arts for everyone' inaugural lecture marking the 60th Anniversary of the first ever arts paper, DCMS pledged additional support secured via Autumn Statement 2024 towards critical local civic museums via the £20 million Museum Renewal Fund.

Autumn Budget also recommitted to permanent 40% / 45% (for non-touring/touring exhibitions) headline rates of relief for the Museums and Galleries Exhibition Tax Relief. These rates took effect from 1 April 2025.

The UK is ranked in the top five for attractiveness as a source of arts and culture, below Italy, Japan, France and the USA. This remains unchanged from 2021.

Visitor Economy

The sector is a significant part of the Creative Industries and Cultural ecosystem driving domestic day visits to arts, culture and entertainment experiences (e.g. museums and galleries). The Visitor Economy is a growth sector: valued at £58bn of GVA (2.5% of the UK economy in 2023) and directly employing 1.2m people, in all parts of the country. Travel services (a core part of the tourism sector) is the UK's 3rd largest service export, and was the largest growth export category in Q1 2024. While the UK has seen a good recovery in tourism since the pandemic, with forecasts suggesting 41.2 million visits in 2024 (1% above pre-pandemic levels), real-term spending is still below 2019 levels.

In November 2024, the Government established a new Visitor Economy Advisory Council to boost collaboration between government and industry and kickstart the next phase of growth for the sector. A new ambition for the UK to welcome 50 million international visitors per year by 2030 was announced, as part of the Government's plans for the country to remain one of the most visited worldwide, driving economic growth. The Council will work towards the creation of a National Visitor Economy Strategy, which will be launched later in 2025 and map out plans to support the growth of the tourism industry.

Between April 2024 and March 2025, the Government took progressive steps to boost international tourism in line with its strategic objective to increase inbound visitor numbers and support economic growth through the visitor economy. To improve the visitor journey and strengthen border security, the Electronic Travel Authorisation (ETA) scheme was expanded

to include travellers from the USA, Canada, Australia, and most European countries. The VisitBritain 'Starring GREAT Britain' campaign continues to deliver high-impact global marketing activity, promoting the UK as a welcoming and vibrant destination.

Internationally, the UK's tourism policies and performance were featured in the OECD's Tourism Trends and Policies 2024 report, highlighting the UK's commitment to economic growth.

In November 2024, the Government confirmed that it will introduce a short-term lets registration scheme in England as soon as possible, to help provide the best tourist accommodation possible while protecting people's right to affordable housing. Digital development of the registration scheme concluded in October 2024, and the second phase of testing started in April 2025. The Government has also completed behavioural insights research to explore facilitators and potential barriers to compliance with the registration scheme.

DCMS has announced that 41 Local Visitor Economy Partnerships have been accredited across a range of English regions including in Somerset and Exmoor, East of England and Northamptonshire. In March 2025, the Government announced that the regional pilot programmes running in the North East and the West Midlands will benefit from a £1.35 million funding boost over the next year to help the regions attract even more tourists and investment to the UK. The pilots have already shown how a cross-regional approach can support the growth of the visitor economy by attracting more investment in attractions, hotels and connectivity, creating jobs and by marketing regions outside of London as destinations in their own right.

Tourism – annual GVA*

Provisional data shows that tourism contributed £58.2bn in 2023, accounting for 2.5% of UK GVA. Tourism GVA grew by 8.5% from 2022 to 2023.

Time period	GVA (£m)
2019	71,718
2020	26,654
2021	15,861
2022	52,024
2023 (provisional)	58,156

*Tourism is reported annually due to data availability.

- Source: ONS UK Tourism Satellite Account (UK-TSA) and provisional UK-TSA indicator
- Release Schedule: Annual
- Tourism GVA figures reported in the table are in current prices, however time series comparisons are in real terms (i.e. adjusted for inflation).
- Note: 2020 and 2021 saw major disruption to tourism, due to lockdowns and restrictions on international travel following the COVID-19 Pandemic.
- 2023 data uses the provisional UK Tourism Satellite Account indicator (UK-TSA indicator).
- There are limitations when comparing tourism GVA estimates over time due to changes in methodology to the underlying data sources that feed into the ONS UK-TSA. As a result, there is a break in the time series in 2022 and we advise caution when comparing data for tourism for 2022 and 2023 with earlier years.
- <https://www.ons.gov.uk/economy/nationalaccounts/satelliteaccounts/datasets/uktourismsatelliteaccounttsatables>
- <https://www.ons.gov.uk/economy/nationalaccounts/satelliteaccounts/datasets/theprovisionaluktourismsatelliteaccountindicatoruktsaindicator>
- <https://www.gov.uk/government/statistics/dcms-economic-estimates-gva-2023-provisional>

Domestic tourism visitor numbers (volume and spend)

Domestic Tourism visitors, England

Time period	Domestic Tourism Visitors, Overnight		Domestic Tourism Visitors, Day	
	Volume of overnight domestic tourism visitors, England (m)	Spend of overnight domestic tourism visitors, England (£m)	Volume of domestic day tourism visitors, England (m)	Spend of domestic day tourism visitors, England (£m)
January 2024 - June 2024				
January-March 2024	17.9	4,455	201.7	10,359
April - June 2024	22.6	6,463	233.9	11,689
July 2024 - March 2025				
July - September 2024	27.6	9,143	255.9	13,497
October - December 2024	21.5	7,274	214.9	12,861
January - March 2025	18.9	6,639	184.0	9,218

- Source: Great Britain Tourism Survey
- Release schedule: Quarterly
- Overnight Domestic Tourism: <https://www.visitbritain.org/gb-domestic-overnight-tourism-latest-results>
- Day Domestic Tourism: <https://www.visitbritain.org/research-insights/great-britain-domestic-day-visits-latest-results>

Inbound tourism visitor numbers (volume and spend, Quarterly, GB)

Time period	Visits (m)	Spend (£m)
January - June 2024		
January - March 2024	8,563	5,669
April - June 2024	10,833	8,772
July 2024 - March 2025		
July - September 2024	10,390	10,123
October - December 2024	9,245	7,349

- Source: International Passenger Survey
- Release schedule: Quarterly
- <https://www.visitbritain.org/research-insights/inbound-visits-and-spend-quarterly-uk>

Domestic Day Trips (Volume and Spend, England)

Region	Volume (million)		Spend (£million)	
	2024 Total	2023 Total	2024 Total	2023 Total
England total	906.3	1030.0	48,405	45,579
London	188.6	216.5	12,029	10,945
Rest of England (excludes London)	726.4	822.7	36,003	34,367
North East	29.4	38.7	1,648	1,498
North West	127.0	132.8	6,439	5,961
Yorkshire	80.3	88.9	4,960	3,788
West Midlands	94.9	105.1	4,473	4,174
East Midlands	77.0	86.1	3,091	3,187
East of England	96.7	109.6	3,502	3,739
South West	90.3	109.2	4,219	4,539
South East	156.7	186.3	7,671	7,480

- Source: Great Britain Domestic Day Trips, Regional
- Release schedule: Annual, Quarterly
- To note: Due to a methodological change in the survey, the new survey from 2021 onwards cannot be directly compared to the old survey up to 2019 (pre-pandemic), which is needed for a full understanding of recovery.
- <https://www.visitbritain.org/research-insights/great-britain-domestic-day-trips-latest-results>
- <https://www.visitbritain.org/research-insights/england-domestic-tourism-regional-and-subregional-data>

International Inbound Trips (Volume and Spend, by Region of England)

Region	Volume and Spend, Q1 - Q4 2024							
	Volume (m)				Spend (£m)			
	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2024	Q2 2024	Q3 2024	Q4 2024
London	4.732	5.634	5.366	5.213	3,406	4,458	5,082	4,340
Rest of England (excludes London)	3.448	4.370	4.456	3.263	1,815	2,769	3,200	2,043
North West	0.810	1.009	0.839	0.709	444	663	488	436
North East	0.107	0.142	0.096	0.085	41	86	53	72
Yorkshire and Humber	0.255	0.301	0.320	0.240	124	117	174	118
West Midlands	0.564	0.554	0.484	0.388	240	271	266	276
East Midlands	0.236	0.335	0.301	0.218	90	149	219	89
East of England	0.492	0.521	0.759	0.609	177	262	434	306
South West	0.446	0.725	0.809	0.408	261	478	561	217
South East	0.864	1.298	1.506	0.921	439	743	1,005	527

- Source: International Passenger Survey, Regional
- Release schedule: Annual, Quarterly
- The 2024 Q1 and Q2 release is provisional figures only.
- To note: Rest of England figures do not total to the sum of each region as visitors may visit more than one region.
- To note: Figures shown as nominal spend (not adjusted for inflation) unless otherwise stated.
- To note: 2024 data only covers inbound visits to Great Britain, as opposed to the United Kingdom The ONS are undertaking a QA review so historical data may be subject to marginal change - see [ONS website](https://www.ons.gov.uk/peoplepopulationandcommunity/visitingtheuk/articles/inboundvisitsandspendquarterlyregional/2024-06-04) for more information.
- YTD = Year to Date (in this case Q1+Q2, Jan to Jun). Q3 and Q4 data for 2024 have not yet been released as of 4th June 2025.
- <https://www.visitbritain.org/research-insights/inbound-visits-and-spend-quarterly-regional>

Outcome 2: Richer Lives With Choices and Opportunities for All (July 24 - March 25)

Cultural and Creative Industries

As set out in the Key Achievements section of the report (above), in the past year, DCMS has been guided by Jenny Lee's vision of "arts for everyone, everywhere".

Cultural and Creative Education

The Department's continued collaboration with the Department for Education has included supporting them on the design and development of the National Centre for Arts and Music Education, collaboration to improve the cultural enrichment offer for young people, and support for the Independent Curriculum and Assessment review.

In 2024/25, we provided £390k to ScreenSkills for delivery of the Creative Careers Programme, to raise young people's awareness of creative careers and pathways into them, and boost opportunities for those from backgrounds that are under-represented in the creative industries. The programme received an uplift to £3M p.a. at the Autumn Budget demonstrating effective performance.

We worked with DfE to bring forward changes so that, as announced in January 2025, shorter apprenticeships are available from August 2025, recognising the particular needs of the creative industries, as one of our first steps towards a more flexible Growth and Skills Levy.

Creative was the biggest new sector in terms of numbers of national Skills Bootcamps and training providers, with 7 suppliers awarded up to £6.4 million of funding by DfE to deliver 17 Creative and Design Skills Bootcamps via National Delivery.

Libraries

We continue to support public libraries, and published an annual report to Parliament on our activities to support the Secretary of State's statutory responsibilities to superintend and promote the improvement of public libraries in England.

As part of the "Arts Everywhere" investment, we announced a fourth round (25/26) of the Libraries Improvement Fund (LIF) (February 2025).

Museums

Alongside continued investment into museums via the Arts Council England's National Portfolio, Round 4 (2024/25) of the Museum Estate and Development Fund also awarded £24.8 million to 29 critical infrastructure projects across England, enabling access and protecting collections. (March 2025). This investment enables museums across the country to deliver a better experience for visitors and staff, make access and environmental improvements, unlock income-generating opportunities, and continue to protect treasured buildings and collections for future generations. This was the third round of funding, bringing the total amount of investment so far to more than £62 million for 93 museums. A fourth round of funding, worth £23.8 million, was announced in February with a deadline of 18 April 2024 for expressions of interest.

Participation Survey

Percentage of adults in England who have engaged physically or digitally with the arts at least once in the last 12 months

Time period	Percentage of adults, England (%)
April - June 2024	
April - June 2024	90
July 2024 - March 2025	
July - September 2024	90
October - December 2024	91
January - March 2025	91

Percentage of adults in England who have visited a museum or gallery (in person or online) at least once in the last 12 months

Time period	Percentage of adults, England (%)
April - June 2024	
April - June 2024	44
July 2024 - March 2025	
July - September 2024	45
October - December 2024	45
January - March 2025	47

Percentage of adults in England who have engaged with public library services (physically or digitally) at least once in the last 12 months

Time period	Percentage of adults, England (%)
April - June 2024	
April - June 2024	31
July 2024 - March 2025	
July - September 2024	32
October - December 2024	31
January - March 2025	32

Percentage of adults in England who have engaged with heritage physically or digitally at least once in the last 12 months

Time period	Percentage of adults, England (%)
April - June 2024	
April - June 2024	66
July 2024 - March 2025	
July - September 2024	67
October - December 2024	68
January - March 2025	67

- Source: DCMS Participation Survey.
- Release schedule: Quarterly
- <https://www.gov.uk/government/collections/participation-survey-statistical-releases>
- Figures cover respondents interviewed in the previous quarterly period.
- This is an official statistic measuring how adults (16+) in England engage with the arts, heritage and public library services, rather than a measure of performance of the respective arts and heritage sectors, or performance of libraries.

Major Events

Throughout 24/25, DCMS worked closely with UK Sport to maintain and strengthen the UK's future hosting opportunities. This includes supporting delivery of the upcoming 2025 Rugby World Cup, with matches taking place right across England from Sunderland to Exeter and has sold more tickets than any previous Women's World Cup to date.

The pipeline of future events has been further enhanced, through the announcement in March 2025 that the UK has successfully been awarded the right to host the Grand Departs for the Tour de France and Tour de France Femmes, another landmark achievement given this will be the first time both Grand Departs have been hosted together outside of France. This provides the UK with yet another opportunity to highlight our commitment to women's sport, building on both the 2025 Women's Rugby World Cup and the 2026 T20 Women's Cricket World Cup. The Government has demonstrated an ambition to bid to host the FIFA Women's World Cup in 2035. DCMS are continuing to work alongside Government Partners to develop a bid that could see the UK hosting this significant event for women's football, and women's sport more broadly.

In addition, DCMS worked alongside colleagues across HMG and the Scottish Government to provide support for the 2026 iteration of the Commonwealth Games to be hosted in Glasgow. The UK has been proud to host the Commonwealth Games twice since 2014, with both events delivering significant benefits. The Games are a key pathway for elite athletes, a great event for spectators, and a fantastic opportunity to bring together the Commonwealth family of nations in a positive and impactful way. Glasgow 2026 is an opportunity to showcase what a new, more sustainable model for the Games looks like as Commonwealth Sport looks to 2030 and beyond.

DCMS also continues to work closely with partners on preparations for delivering the men's UEFA European Championships in 2028 - both to deliver a spectacular tournament and to unlock the far-reaching social and economic benefits of hosting. Football partners have now established a private company - UK and Ireland 2028 Ltd - to coordinate domestic partners' tournament hosting responsibilities.

COVID Commemoration

The impact of COVID will not be forgotten and we must find a fitting way to remember and reflect on the pandemic for generations to come. DCMS is grateful to the independent UK Commission on COVID Commemoration, chaired by Baroness Morgan of Cotes, for its recommendations of how the UK could remember and reflect on the pandemic for years to come. The Department for Culture, Media and Sport wants to do justice to these important recommendations by careful and well-considered policy development ahead of publicly announcing our plans.

A key recommendation was to hold a COVID-19 Day of Reflection each year. On 9 March 2025, DCMS supported communities as they came together to mark the fifth year since the pandemic began. The Day was an opportunity to join together in reflection and commemoration for those who lost their lives and for everyone impacted by the pandemic

Over 200 Day of Reflection events took place in communities right across the country. There were a further 160 places and spaces for reflection that were marking the day. Broadcasters featured the COVID-19 Day of Reflection prominently on their news bulletins. The Prime Minister and the Secretary of State both expressed their support for the Day, and for the voluntary groups that do so much to support those bereaved by COVID-19.

Examples of community activity included:

A procession along the National COVID Memorial Wall, followed by a ceremony and a minute's silence, and flowers being cast from London's Lambeth Bridge

- NHS Charities Together held an event at the National Memorial Arboretum in Staffordshire, commemorating the thousands of people who tragically lost their lives since the pandemic began, and paying tribute to the critical role played by the NHS, its workforce and NHS charities in supporting patients and communities during the pandemic.
- Manchester Cathedral hosted a special prayer service, honouring and reflecting upon the experiences felt by the Black, Caribbean and African community who faced unique challenges during the pandemic.
- Local authorities recognised the day across the country. In Liverpool St George's Hall became the city's focal point for the Day's activities. In Sheffield the City Council

partnered with a community-led, NHS-funded programme, Compassionate Sheffield, for commemoration, speeches and a showing of the Stories from the Pandemic documentary.

- In Scotland, COVID-19 Families Scotland hosted an event outdoors at Glasgow Green which included a piper, choir and minute's silence, and was attended by the First Minister.
- In South Wales, the COVID-19 bereaved gathered to remember their loved ones and place named flags in a yellow heart made of local stones, which was created in 2021 on Bwlch Mountain.
- In Belfast, Memory Stones of Love, a group set up by bereaved families during the pandemic, marked the day by holding a remembrance concert with music, poems and readings, as well as displaying their stones with inscriptions of those we lost during the pandemic.

Sport

The Government is committed to ensuring everyone, no matter where they live, has the access and opportunity to be physically active. This includes investing in high quality sport facilities, reforming school sport and PE to ensure that it meets the needs of every child and pivoting our investment priorities to be more focused on places and communities to ensure that provision actually delivers what they need.

As part of this DCMS has announced an additional £100 million to be invested into grassroots sport facilities across the UK. Sport England has also announced the first tranche of its new place partnerships investing up to £250 million in a series of priority places across the country with the highest levels of inactivity.

DCMS has invested £125 million via the Multi-

Sport Grassroots Facilities Programme in total throughout 2024/25. This includes:

- £103.8 million in England (inclusive of £25 million provided to the one-year Lionesses Futures Fund).
- £10.1 million in Scotland
- £7.4 million in Wales
- £3.7 million in Northern Ireland

An evaluation of the Multi-Sport Grassroots Facilities Programme and the Park Tennis Court Refurbishment Programme, delivered by Deloitte, continues to examine the relationship between direct investment and outcomes of the funding programmes. The first interim evaluation report was published in October 2024, noting that:

- 82% of funded facilities reported an increase in participation in both direction and magnitude, compared with 65% of unfunded sites since April 2021
- A higher proportion of funded facilities (50%) reported an increase in sustained participation since April 2021 relative to unfunded sites (39%)
- Case studies of funded facilities across all nations surveyed showed significant uplifts in participation, particularly from younger people and women and girls, and presented numerous improvements in wider impacts and outcomes such as 'pride in place'.

Further evaluation is required in order to demonstrate a causal link between Government investment and these changes in participation. A second interim evaluation report is due to be published in Summer 2025, ahead of the third and final evaluation report in Summer 2026.

Number of projects funded through DCMS Multi-Sport Grassroots Facilities Programme

Nation	Number of funded projects, April 2024 - March 2025
England	1540
Scotland	33
Wales	51
Northern Ireland	17

- Source: Multi-Sport Grassroots Facilities Programme Projects: 2024-25
- Release schedule: Annual <https://www.gov.uk/guidance/multi-sport-grassroots-facilities-programme-projects-2024-to-2025>

Percentage of adults who are active or fairly active on a weekly basis

Time period	Percentage of adults, England (%)
November 2023 - November 2024	74.9

- Source: Active Lives Adult Survey
- Active is defined as at least 150 minutes of moderate physical activity each week. Fairly active is defined as between 30-149 minutes of moderate activity each week.
- Release schedule: Annually (previously twice yearly)
- https://www.sportengland.org/research-and-data/data/active-lives/active-lives-data-tables?section=adult_surveys#november-2022-23-32509

Percentage of children who are active or fairly active on a weekly basis

Time period	Percentage of children, England (%)
Academic Year 2023/24	70.5

- Source: Active Lives Children and Young People Survey
- Active is defined as 60+ minutes a day of at least moderate activity both at and outside school. Fairly Active is defined as an average of 30-59 minutes a day of at least moderate activity both at and outside school.
- Release schedule: Annually
- https://www.sportengland.org/research-and-data/data/active-lives/active-lives-data-tables?section=children_and_young_people_surveys

Number of DCMS funded tennis courts (Great Britain)

Time Period	Number (#)
March 2025	2,967

*Note: This is a rolling investment programme. This figure reflects all completed projects since June 2023.

- Source: Park Tennis Courts Programme
- Release schedule: Rolling updates. This figure reflects all completed projects from June 2023 to March 2025.
- <https://www.gov.uk/guidance/park-tennis-court-programme-completed-projects#full-publication-update-history>

Civil Society Strategy and Delivery

DCMS has made good progress in supporting civil society with cost of living pressures, recognising that organisations have been impacted by increased demand for their critical services at the same time as higher running costs.

Through the VCSE Energy Efficiency Scheme, DCMS spent £25.5 million in 2024/25 to increase the energy efficiency and long-term sustainability of frontline VCSE organisations, allowing them to deliver more efficient services for individuals and communities.

The scheme has two main components:

- Independent Energy Assessments: This involved arranging an independent energy assessor to help identify energy-saving opportunities in the VCSE building, which were used to inform applications to the other component of funding, as below. The majority of the 1,147 IEAs were delivered by July 2024, with some completed in August 2024; and
- Capital Grants: Panel assessments for grants between £2,000 and £150,000 to install capital energy efficiency measures, such as improving insulation or installing heat pumps, were underway between April and July 2024.

Impact Economy

Work to test the efficacy of VCSE-led social outcomes partnerships as tools to enhance public services continued via the Life Chances Fund. It produced targeted support for vulnerable people across 29 projects in England, as the programme entered its final year of funding.

DCMS established three philanthropy priorities,

looking to better enable and encourage philanthropy and recognise how philanthropy transforms lives and communities. As part of this work, the number of philanthropists who received honours increased; 13 specific citations awarded were for philanthropy as part of June 2024’s Birthday Honours, compared to two the year before. This also included supporting a Garden Party to celebrate culture and the creative industries at Buckingham Palace in May 2024, ensuring philanthropists were recognised for their contribution to the sector.

DCMS delivers the Social Enterprise Boost Fund, an up to £5.1 million package of funding to kick start and accelerate social enterprise activity in four disadvantaged areas of England, running until March 2026. By April 2024, the Social Enterprise Boost had supported more than 500 people looking to start or grow their business.

Volunteering and Tackling Loneliness

DCMS is supporting volunteering and tackling loneliness, through initiatives which are researched and evidence-based.

DCMS has continued to support a variety of volunteering initiatives within the sector, including the Know Your Neighbourhood fund (see below). DCMS also supported The Big Help Out 2024, a major UK-wide event running alongside Volunteers’ Week, aimed at encouraging people to help out in their communities or try volunteering for the first time.

The DCMS grant to the Voluntary and Communities Sector Emergencies Partnership (VCSEP) supports VCS organisations to input into emergency preparedness, planning and

response, with our grant running until March 2025. This is part of wider work to support communities to prepare and respond to emergencies.

DCMS continued to carry out research into formal volunteering, finalising a key project looking to better understand the social and economic values of volunteering. The report for this project is due to be published in June 2025.

In its fourth year of delivery, the Tackling Loneliness Hub, an online community for professionals working on loneliness, has over 1,000 members from across public, private, academic, and charity sectors. In 2024, the Tackling Loneliness Hub focused on promoting best practice for working with people across the life course and how DCMS sectors can support social connection.

Youth Services

Through its final year round offer, we provided the National Citizen Service Trust with £49.2 million in funding which delivered over 420,000 residential, community-based and digital experiences to young people. This includes launching a new online-game 'Neohaven Noodles' which supports young people to build their financial literacy.

The Youth Investment Fund aims to enable an additional 45,000 young people to regularly attend (on at least a weekly basis) activities at YIF funded facilities by 31st March 2027. At 31 March 2025 the total additional opportunities was estimated at almost 24,000 with the remainder to be delivered by projects completing and/or opening in 2025/26.

DCMS has worked with the Department for Education to expand access to the Duke of Edinburgh's Award in schools and communities across the country, with over 550 new organisations delivering the programme, giving more than 47,000 young people the opportunity to challenge themselves, support their communities and learn new skills. This includes supporting 96 new Special Educational Needs and Disabilities school and Alternative Provision settings to deliver the programme. The Enrichment Partnerships Pilot with the Department for Education was established, seeking to test a new approach to linking the youth and education sectors, working with up to 200 secondary schools.

DCMS has supported 8 Uniformed Youth

Organisations to recruit more volunteers and sustainably increase their capacity. Over 11,756 new places have been created this year to help organisations tackle their waiting lists and 302 units have either been re-opened or newly established. Out of the 23,749 total new places created over the duration of the 3 year fund, 56.29% of them are in IMD 1-5 / YIF eligible areas, ensuring young people can better access opportunities which improve their wellbeing and help them develop skills for life and work, no matter where they are from.

In partnership with the National Lottery Community Fund (TNLCF), the Million Hours Fund is supporting youth organisations to deliver over a million hours of positive activities for young people in areas where they may be at risk of anti-social behaviour. The fund has been successful in creating c.2.1million hours of youth provision, at latest count, with 581,667 total engagements with young people. The Million Hours Fund is developing a 3rd phase of funding, to create further youth provision from 2025 to 2027.

Civil Society

As part of the VCSE Energy Efficiency Scheme a few remaining Independent Energy Assessments were delivered, along with 316 capital grants to install capital energy efficiency measures, such as improving insulation or installing heat pumps.

DCMS has continued to support the scaling up of innovative funding ecosystems and successfully channel non-government funding into some of the most pressing challenges in society.

This includes ongoing stewardship of the impact investing markets in the UK. It was announced in February 2025 that the social investment market grew to £10 billion, demonstrating continued investment into tackling social issues - including child poverty, homelessness and the effects of long-term health conditions. In partnership with the Impact Investing Institute, we also continued to support the growth and effectiveness of the UK impact investing market, which has grown to £76.8 billion, confirmed by the latest Market Sizing Report published in September 2024. Our Place-Based Investment programme delivered through the Impact Investing Institute concluded in March 2025, which supported the establishment of a nationwide Place Coalition and two Place Pilots to unlock private investment to support cultural and economic regeneration in Southampton and Wakefield.

January 2025 saw the Dormant Assets Scheme reach the milestone of £1 billion of dormant assets funding having supported youth, financial inclusion and social investment good causes since 2011. By March 2025 we also opened the Dormant Assets Scheme up to three new sectors - insurance and pensions, investment and wealth management, and securities - and we have now welcomed two insurance and pensions firms to the Scheme, paving the way for more firms to follow suit.

In February 2025 DCMS established jointly with HMT a Social Impact Investment Advisory Group reporting to the Chief Secretary to the Treasury and Secretary of State for Culture, Media and Sport. Building on the UK's strong industry leadership in social impact investing, this group is advising the Government on how to tackle complex social issues and support delivery of the Government's missions by blending impact and philanthropic capital and targeting investment to government commitments.

In March 2025 work to test the efficacy of VCSE-led social outcomes partnerships via the Life Chances Fund ended. The Life Chances Fund supported outcomes across 29 projects with £3.5 million of funding in 2024/25, which only paid on the achievement of successful outcomes. Examples of Life Chances Fund outcomes in 2024/25 include that 278 vulnerable young people improved school attendance rates, 680 people entered sustainable accommodation and 452 children avoided care proceedings.

DCMS delivers the Social Enterprise Boost Fund, an up to £5.1 million package of funding to kick start and accelerate social enterprise activity in four disadvantaged areas of England, running until March 2026. Up until March 2025, the Social Enterprise Boost had supported more than 700 people looking to start or grow their business.

The Know Your Neighbourhood Fund is designed to widen participation in volunteering and tackle loneliness in 27 disadvantaged areas across England. It included up to £10 million of funding from the National Lottery Community Fund, as well as £19 million of DCMS funding and more than £1 million of match funding. Across the whole grant period, until March 2025, more than 100,000 people had opportunities to build social connections through libraries, museums, arts organisations and charities. Furthermore, almost 15,000 people were supported into volunteering.

Outcome 3: A More Socially Cohesive Country With an Inclusive National Story (July 24 - March 25)

BBC Charter Review

As the media landscape undergoes the next generational shift, the BBC too must adapt and be supported to do so. The forthcoming Charter Review presents a key opportunity to set the BBC up for success long into the future, so it can continue to provide important public service content and outputs in line with its mission to 'inform, educate and entertain' that help build social cohesion and bring people together around an inclusive and unifying national story. DCMS expects to publish the Terms of Reference for Charter Review and a Green Paper public consultation later this year which will provide more detail on the objectives and policy options we are considering to support this outcome.

Radio, Advertising and Press

DCMS has taken action to support the further growth of the UK's Community Radio sector. The new Community Radio Order (2025) allowed for a further extension of community radio licences and reformed rules that placed limits on the amount of advertising and sponsorship community radio stations could take. DCMS funding for Community Radio has also increased from £400,000 to £1m in 2025/26.

DCMS continued to work with the Online Advertising Taskforce, which brings together government and industry with the aim of ensuring the UK online advertising industry continues to thrive while providing the necessary protections for consumers. In November 2024, the Minister for Creative Industries agreed the Taskforce would continue for at least a further year, supporting the promotion and extension of industry initiatives to tackle harms and work towards improving trust, transparency and accountability in the online advertising ecosystem. The remit of the Taskforce was extended to include a working group specifically looking at the impact of AI on trust and transparency for the advertising sector.

DCMS also worked closely with the Department for Health and Social Care on issues around the implementation of the Less Healthy Foods advertising restrictions.

Percentage of the UK population (adults 15+) that tune into radio each week

Average radio reach for Q1 2025 (87%) is lower than the average audio reach a year earlier in Q1 2024 (89%), a decade earlier in Q1 2015 (89%), and pre-pandemic levels for Q1 2019 (89%).

Time Period	Percentage (%)
January - June 2024	
January - March 2024	88.6
April - June 2024	88.2
July 2024 - March 2025	
July - September 2024	88.3
October - December 2024	87.2
January - March 2025	86.9

- Source: RAJAR (Radio Joint Audience Research)
- Release schedule: Quarterly
- RAJAR modified its national listening survey from the Autumn of 2021 following a period of disruption caused by the COVID pandemic.
- <https://www.rajar.co.uk/index.php>

Culture and Heritage Capital

DCMS in partnership with its ALBs and Arts and Humanities Research Council (AHRC) published [‘Embedding Culture and Heritage Capital’](#), which set out the ambitions of the programme: The publication has provided an updated approach to ensure the economic, social and cultural value is included in appraisals and evaluation, to ensure the impact of proposals on specific groups, households, communities and businesses is fully accounted for.

DCMS published [‘Culture and Heritage Capital: Monetising the Impact of Culture and Heritage on Health and Wellbeing’](#). This research found that general engagement with culture and heritage has health and wellbeing benefits worth £8bn to wider society per year.

Publication of [‘Measuring the economic value of digital culture: a case study of the Art UK platform’](#). The research estimated the platform produced welfare benefits of £71 million per year to UK-based users.

Funded through the CHC Programme, Historic England published research [understanding the value of England’s historic attractions sites beyond the ticket price \(March 2025\)](#). The research found an additional impact of the sites above ticket prices was £5.31 per person, which indicates sites provided impact on society beyond their market price.

DCMS commissioned two further areas of research looking at the valuation of Cultural Education, which looks to monetise the value of cultural learning and education, both within schools and in cultural settings. In addition, research on non-use value, which examines the value people and communities place on cultural and heritage assets they do not visit, but still value their existence and public funding.

Pride in Britain

VE/VJ 80 Commemorations

Between October and March 24/25 DCMS began planning for the 80th anniversary of VE (Victory in Europe) Day and VJ (Victory over Japan) Day, to be held on 8th May and 15th August respectively. Programme planning focussed on the following objectives:

- To Honour those who gave their lives and thank our living veterans and those who contributed to the war effort.
- To Connect our nation’s communities, places

and stories through our shared histories.

- To Reflect on the freedom and values that the Second World War generation fought to protect.

The Programme should support a more socially cohesive country within an inclusive national story. The programme would drive a golden thread of commemorative and celebrative activity through 2025, bringing the nation together through events and community storytelling.

The Programme focussed on delivering major commemorative events in London including a Procession on Monday 5th May, the Bank Holiday, alongside a service of Remembrance and Thanksgiving at Westminster Abbey and Concert on Thursday 8th May, supported by a National Engagement Programme which would deliver opportunities for commemoration and celebration around the UK. Examples of activity between October and March included:

- Establishing Programme objectives
- Establishing the scope of activity and seeking business case approvals
- Establishing agreement from senior leaders and Ministers for the Programme
- Initiating Programme governance and engaging partners for delivery
- Delivering a VEVJ 80 website and appropriate public-facing communications about the Programme.

Women’s Rugby World Cup 2025

The tournament’s legacy programme [Impact ’25](#) will see over £14.5m of Government funding (£6.8m of this has been provided by the current Government) committed to the sport in England and the home unions up to the end of March 2026, creating more opportunities for women and girls to get involved in rugby. So far this funding has:

- Provided support to 850 clubs with £2.6m being spent to upgrade club facilities to make them more welcoming for females.
- Supported 1,456 new qualified female coach and match officials.

The impact of this can be seen with 22,795 age grade players in 23/24; a 9.3% increase on the previous year and 7,800 girls experienced rugby due to grants for U12 activity. A 40% increase year-on-year.

Gambling and Lotteries

The White Paper 'High stakes: gambling reform for the digital age' was published in April 2023. Since then, DCMS has consulted on the majority of measures in the paper that are DCMS-led; the introduction of stake limits for online slots games, measures relating to the land-based gambling sector, and the introduction of a statutory levy on gambling operators to fund research, prevention and treatment. DCMS introduced legislation to enact the levy and the online slots stake limits in January 2025 and both measures came into force in April 2025.

Other measures in the White Paper are being led and implemented by the Gambling Commission (the statutory regulator) and the gambling industry. DCMS continues to work closely with the Gambling Commission on their measures.

DCMS has continued to deliver reforms to modernise the land-based sector following on from its response to the consultation on this in May 2024. The reforms for casinos are to be brought forward in early FY 2025/26.

Allwyn completed their first 12 months as operator of the Fourth National Lottery Licence in February 2025. During this period, Allwyn focused on delivering a series of changes with the aim of increasing revenue, such as launching new online games and promoting scratchcard gifting. This led to a year on year increase in good cause returns. In the next period, Allwyn intends to deliver more transformative initiatives to help deliver increased contributions to good causes over the longer-term. Allwyn is committed to investing in the National Lottery and delivering responsible growth, with the intention of increasing contributions to good causes, overseen by the Gambling Commission.

DCMS carried out a review of the Horserace Betting Levy in 2024. In the absence of a legislative vehicle, the government has encouraged negotiations between the betting and racing industries on a voluntary deal as the quickest way of securing increased funds for the sport.

Gambling Harm in Young People, percentage of respondents that scored 4+ or between 2 and 3 on the youth-adapted gambling screen (Great Britain, Annual) - <https://www.gamblingcommission.gov.uk/report/young-people-and-gambling-2024-official-statistics>

In 2024, the rate of 11-17 year olds scoring 4+

(representing 'problem gambling') on the youth adapted problem gambling screen (DSM-IV-MR-J) was 1.5%. This represents a statistically significant increase from 0.7% in 2023. These rates are not comparable to years prior to 2023, due to a change in methodology.

A score between 2 and 3 on the DSM-IV-MR-J indicates 'at-risk' gambling. Since 2023, there has been an increase in the rate of 11-17 year olds experiencing 'at-risk' gambling to 1.9% from 1.5%. These rates are not comparable to years prior to 2023, due to a change in methodology.

This section sets out performance against DCMS's priority outcomes for the period to July 2024 including information on the highlights and progress made against them if not included in the above sections.

Outcome 1: Drive growth across all our sectors, including creative industries and tourism, and support local economies (April - July 24)

Cultural and Creative Industries

During this period, DCMS supported a Special Garden Party at Buckingham Palace to celebrate the cultural and creative industries. By bringing together business leaders, philanthropists, and key figures from our creative workforce, this event demonstrated government's commitment to the social, cultural and economic power of creativity, while helping forge connections between creatives and investors - supporting the growth of these industries.

Outcome 2: Create opportunity for young people and enrich communities, alongside our arm's-length bodies and charities sector, by increasing participation in, and expanding access to, grassroots sports, arts and heritage, libraries and youth services (April - July '24)

Cultural and Creative Industries

- The British Museum's Energy Centre Programme entered into delivery phase, having received approval from DCMS in February 2024, and the Treasury in April 2024. The Programme will wholesale replace the British Museum's energy infrastructure, and is the first phase of their Masterplan which will transform the estate and ensure access to the Museum's collection for future generations.

Sport

- Provided 2.3 million opportunities for school children to engage in local and inclusive sporting competitions across 40 different sports and activities in academic year 2023/24 through the work of the School Games Organisers network, jointly funded by DCMS and the Department for Health and Social Care.
- In February 2025, Sport England announced the first 53 places that would receive investment as part of their £250m Place Partnership programme committing both revenue and capital funding to programmes to deliver physical activity opportunities targeted at the most inactive in society.

Outcome 3: Showcase the UK to the world and boost our global reputation by delivering major cultural and sporting events across the country (April - July '24)

Major Sporting Events

UEFA Champions League Final 2024

DCMS allocated £6.1m to support the delivery of the UEFA Champions League Final, held at Wembley, in 2024 alongside a week of festival activity in central London. The final generated £75.4m in GVA and created 1,472 full time jobs.

Outcome 4: Deliver reforms to make our world class media sector fit for the 21st century, make the UK the safest place in the world to gamble, and protect the excellence and financial sustainability of English football, putting fans at the heart of clubs (April - July 24)

Press, Radio and Media Freedom

DCMS also introduced legislation to ban foreign states from controlling newspapers, or news magazines, through the DSIT/DBT led Digital Markets, Competition, and Consumer Bill, and opened consultation on proposed exceptions.

Media Act

The Media Act, which received Royal Assent on 24 May 2024, will allow DCMS to support the future sustainability of our UK broadcasting sector. This includes measures to modernise the 'mission statement' for public service TV so our public service broadcasters (BBC, ITV, STV, Channel 4, S4C, Channel 5) can serve audiences across the UK with high quality programmes on a wider range of services.

Breakdown of Resource by Business Area

The tables below show how our resources are allocated across the department. Due to the cross-cutting nature of our outcomes, with directorates often contributing to multiple outcomes, it is not possible to allocate resources by outcome.

The tables below represent the group net expenditure, split between the different directorates within the group by budget type. These budget types are explained in the Financial Review on page 110. The non-voted AME is the total of resource and capital spend.

These table are based on the current directorate splits and the prior years have been restated accordingly.

Expenditure by Directorate 24-25

	Resource DEL Admin	Resource DEL Programme	Capital DEL	Voted Resource AME	Voted Capital AME	Non Voted AME	Total Net Expenditure
Directorate	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Culture and Creative Industries	33,853	979,861	206,529	40,428	8	195,992	1,456,671
Civil Society and Youth	21,670	113,666	157,351	(600)	-	693,793	985,880
Media and International	6,390	16,012	1,224	3,788,904	153,865	-	3,966,395
Sport & Gambling	20,340	172,887	126,149	(12,082)	983	244,181	552,458
Visitor Economy, Heritage, Loans and Cultural Diplomacy	53,083	113,489	8,194	1,186	-	337,554	513,506
Project Delivery and Major Events (PDME)	2,879	66,436	23,062	-	-	-	92,377
Corporate (including Finance, HR and other support functions)	65,106	3,927	3,717	-	-	-	72,750
Total	203,321	1,466,278	526,226	3,817,836	154,856	1,471,520	7,640,037

Expenditure by Directorate 23-24

	Resource DEL Admin	Resource DEL Programme	Capital DEL	Voted Resource AME	Voted Capital AME	Non Voted AME	Total Net Expenditure
Directorate	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Culture and Creative Industries	37,097	963,763	278,123	42,900	-	243,098	1,564,981
Civil Society and Youth	22,840	172,597	40,198	(2,150)	-	775,432	1,008,917
Media and International	4,421	13,221	245	3,565,695	497,637	-	4,081,219
Sport & Gambling	13,325	147,807	144,236	(6,633)	(571)	190,196	488,360
Visitor Economy, Heritage, Loans and Cultural Diplomacy	51,567	117,404	51,725	2,630	-	367,874	591,200
Project Delivery and Major Events (PDME)	3,674	71,701	12,215	-	-	-	87,590
Corporate (including Finance, HR and other support functions)	61,086	11,811	3,517	-	-	-	76,414
Total	194,010	1,498,304	530,259	3,602,442	497,066	1,576,600	7,898,681

Expenditure by Directorate 22-23

	Resource DEL Admin	Resource DEL Programme	Capital DEL	Voted Resource AME	Voted Capital AME	Non Voted AME	Total Net Expenditure
Directorate	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Culture and Creative Industries	32,931	952,075	296,198	55,056	-	563,354	1,899,614
Civil Society and Youth	20,879	109,374	8,598	(5,378)	-	653,710	787,183
Media and International	3,830	11,590	-	3,789,016	270,322	-	4,074,758
Sport & Gambling	18,726	428,642	90,946	12,866	(8,257)	216,176	759,099
Visitor Economy, Heritage, Loans and Cultural Diplomacy	59,681	176,887	60,748	1,434	-	214,718	513,468
Project Delivery and Major Events (PDME)	6,721	84,001	10,478	-	-	-	101,200
Corporate (including Finance, HR and other support functions)	51,182	4,912	2,609	(3,823)	-	-	54,880
Total	193,950	1,767,481	469,577	3,849,171	262,065	1,647,958	8,190,202

Signed and approved

Susannah Storey
Accounting Officer and Permanent Secretary

27 October 2025

ACCOUNTABILITY REPORT

Corporate governance report

The Corporate Governance Report explains the composition and organisation of DCMS's governance structures and how they support the achievement of our objectives.



Claudia Arney
Lead Non-Executive
Board Member

Director's report

My fourth year as lead Non-Executive Board Member (NEBM) of DCMS has been another busy and productive year. Following the July 2024 election and subsequent change in government, the board has supported the department as it refocused and continued the crucial work of supporting and delivering for our sectors.

This financial year has seen changes in DCMS's team of NEBMs. Simon Ball, Dame Patricia Hodgson, Larissa Joy, and Ralph Rimmer left the board in December 2024. I would like to thank them for their significant contribution during their time on the Board.

During this period of NEBM transition I have increased my engagement with the department, for example by attending all NED/Executive Board meetings, in addition to my usual responsibilities.

DCMS is integral to delivering the government's mission-led agenda, focusing on growth, building community cohesion, and creating opportunities at all levels in society. It is therefore appropriate that a large proportion of my time this year has been focused on the spending review, the outcomes of which will play an important role in how we deliver our wide-ranging agenda. From a personal perspective, it has been great to work alongside so many DCMS colleagues and to secure a strong settlement for 2025/26.

I am very grateful for the sustained hard work and dedication shown by colleagues right across DCMS over the last 12 months. I would also like to thank our wider stakeholders for their support and for everything they do to further the DCMS agenda. The board remains committed to high standards of governance, and to providing external support, constructive challenge, and assurance to DCMS officials and ministers.

Departmental Board

Ministers



The Rt Hon Lisa Nandy MP
Secretary of State for Culture,
Media and Sport



Sir Chris Bryant MP
Minister for Creative Industries, Arts,
and Tourism (joint minister with the
Department for Science, Innovation
and Technology)



Stephanie Peacock MP
Minister for Sport, Media, Civil
Society and Youth



Baroness Fiona Twycross
Minister for Gambling and
Lords Minister

This was the DCMS Ministerial team as at 31 March 2025.

Changes to team

- The Rt Hon Lucy Frazer MP, Secretary of State for Culture, Media and Sport, from 7 February 2023 to 5 July 2024.
- Julia Lopez MP Minister of State for Media, Tourism and Creative Industries and Minister of State (also Minister for Data and Digital Infrastructure at DSIT), from 20 December 2023 to 5 July 2024.
- The Rt Hon Stuart Andrew MP, Parliamentary Under Secretary of State for Sport, Gambling and Civil Society [and Minister for Equalities and Parliamentary Under Secretary of State (Minister for Equalities), Government Equalities Office], from 27 October 2022 to 5 July 2024.
- Lord Parkinson of Whitley Bay, Minister for Arts, Heritage and Libraries, from 29 October 2022 to 5 July 2024.

Non-Executives



Claudia Arney
Lead Non-Executive
Board Member

The personnel listed here were the DCMS Non-Executive Board Members as at 31 March 2025.

Changes to team

- Simon Ball: Non-Executive Board Member and Audit and Risk Assurance Committee Chair, from July 2023 to December 2024.
- Dame Patricia Hodgson: Non-Executive Board Member from July 2023 to December 2024.

- Larissa Joy: Non-Executive Board Member from July 2023 to December 2024.
- Ralph Rimmer: Non-Executive Board Member from July 2023 to December 2024.

Executives



Susannah Storey
Permanent Secretary



Andrew Pattison and Jon Martin
Director General,
Strategy and Operations
(Interim- Jobshare)



Ruth Hannant and Polly Payne
Directors General
for the Policy Group
(Jobshare)



Andrew Pattison
Chief Financial Officer



Laura Jackson and Rebecca Egan
Corporate Strategy
Directors (jobshare)



Andrew Faulkner
Director of People and
Workplace



Jen Wood
Communications
Director

The personnel listed here were the DCMS Executive Team as at 31 March 2025.

Changes to team in 2024-25

- Andrew Pattison and Jon Martin took on the role of interim Director General, Strategy and Operations (Jobshare), replacing Sam Lister, who left DCMS in November 2024.
- Andrew Faulkner took on the role of Director of People and Workplace, replacing Sarah Tebbutt, who left DCMS in March 2025.
- Jen Wood took on the role of Communications Director in May 2024.
- Rebecca Egan took on the role of Corporate Strategy Director (Jobshare) in January 2025, covering for Louise Smith whilst she is on maternity leave.
- Naomi Mallick took up the role of Legal Director in March 2025.

Performance in other areas

PEOPLE AND CORPORATE

Employee engagement

Employee engagement is measured through the annual Civil Service People Survey. For the 2024 Survey DCMS had a response rate of 90% across the department. Our 72% engagement score was the highest across the Civil Service's main departments. 81% of staff would recommend DCMS as a great place to work - 18% points above the average. Data from the survey is analysed and informs initiatives at both a departmental and local team level to make DCMS a great place to work, helping to maintain the department's position as one of the most engaged departments in government.

Our Values

The DCMS values reflect the kind of organisation DCMS is and aspires to be. In times of uncertainty, they guide our actions, decision-making and what staff across DCMS can expect from others. The values are:

- Strive for the best
- Work as one
- Act with kindness
- Learn and grow

Deliver diversity, equality and inclusion objectives

DCMS adheres to the Equality Act 2010 as a public sector employer and is committed to fostering a diverse and inclusive workforce, aligned with the Civil Service's ambition to better serve citizens

In 2020 we launched our Diversity and Inclusion Strategy 2020-25, setting out our ambition to be the most diverse and inclusive Department by 2025 achieved through diverse recruitment, career development initiatives, and a focus on varied perspectives. Progress has been made, reflected in increased representation rates for all underrepresented groups, facilitated by inclusive recruitment strategies and targeted career development initiatives. DCMS was re-accredited as a Disability Confident Leader employer in 2024 and monitors overall progress using a D&I scorecard and a sponsorship program launched in September 2024. Future D&I actions will be integrated into a comprehensive People Strategy to ensure an

inclusive working experience for all employees. DCMS ranks as the second-highest main department for Inclusion and Fair Treatment in the Civil Service People Survey.

Anti-bullying policy

DCMS policies and guidance related to bullying, harassment and discrimination (ABHD) are published on the DCMS intranet and are accessible to all staff. DCMS maintains a zero-tolerance approach to bullying, harassment and discrimination, with a continued commitment to ensuring all staff are treated with dignity and respect.

In the 2024 staff survey, 90% felt respected by colleagues, 87% felt treated fairly at work, and 83% agreed that DCMS respects individual differences.

In 2024 the department strengthened its approach through updated policies, improved guidance, and meaningful staff engagement. A BHD Readiness Survey and staff listening groups have provided valuable insight into lived experiences, which informed the development of early resolution tools, updated reporting mechanisms, and targeted helpcards.

Anti-bribery and anti-corruption

In order to help departments, continue the fight against fraud, bribery and corruption, the Cabinet Office published version 2.0 of the Government Functional Standard, 'GovS 013: Counter Fraud' in August 2021. The purpose of this government standard is to set the minimum expectations for the management of counter fraud, bribery and corruption activity in all government organisations. In 24/25, DCMS was assessed against the Functional Standard Continuous Improvement Assessment Framework, achieving "Good" in nine out of 12 areas and being "In Development" for three. The department is taking actions to meet Good across the remaining three areas.

DCMS continues to assist its public bodies with their compliance with the Functional Standard, by sharing best practice and providing advice on specific queries, as well as co-ordinating the relationship with the Public Sector Fraud Authority and several of DCMS' public bodies, including by making use of the service offer on data analytics and investigation.

Civil servants are expected to demonstrate at all times the highest standards of personal integrity

and honesty. Civil servants must not only set out the facts and relevant issues truthfully, but must also not lay themselves open to suspicion of dishonesty, perception of a conflict of interest, and/or of impropriety. All staff are bound by the department's policy on gifts and hospitality and must not accept gifts, hospitality or benefits of any kind from a third party that might be seen to compromise their integrity.

Health and safety

During 2024-25 DCMS continued to focus on statutory compliance activities, to ensure that third party providers are maintaining safe and compliant office spaces and facilities in the properties where we are occupiers. In late 2024 we took on responsibility for Blythe House, a DCMS owned building that had been used by multiple ALBs as a storage facility and a large programme of work was successfully undertaken to ensure that the site is compliant and has the right assurances in place. The Health and Safety Team continued to support Workplace Adjustment case management for the department and also launched the customer satisfaction survey.

Security

The DCMS Security team covers all aspects of personnel, physical & personal security provision for the department. The team also manages investigations and business continuity. It works closely with the Government Security Group, National Technical Authorities and many other organisations to deliver DCMS' security arrangements.

We remain focused on information security, and are building partnerships with our Data Protection and DDaT functions to best deliver education and awareness activities, establishing an Information Security Management Board.

Locations

Under the Places for Growth programme (PfG), DCMS has a target to relocate 50% of our workforce, including 50% of our senior civil servant roles by 2030, with a primary focus on Manchester, our second headquarters.

Additionally, we are committed to maintaining a presence in Edinburgh, Cardiff and Belfast to support the presence of Government administration in Scotland, Northern Ireland and Wales, as well as at the Darlington Economic Campus to effectively support Civil Service careers in the North East.

DCMS has already exceeded our 2025 PfG target and achieved 97% of our 2027 PfG target. Over 71.9% of our Public Bodies' workforce is now based outside London, a 6% increase on last year, meeting our 70% target two years early, which includes senior and C-suite levels roles.

Gender pay gap - detailed analysis

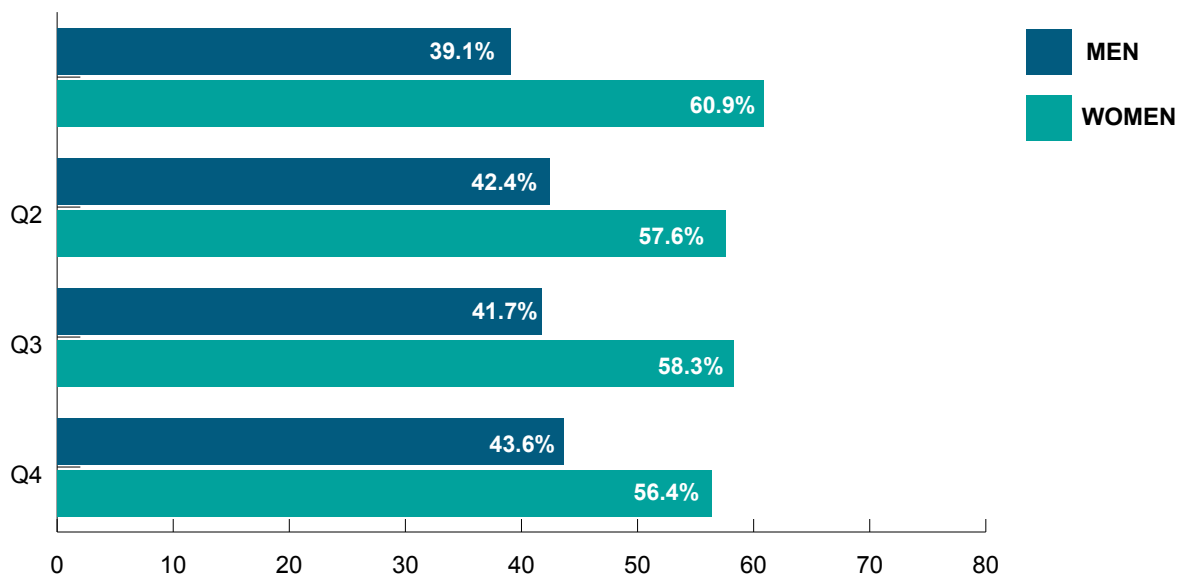
DCMS gender pay gap is published annually ([link to DCMS Gender Pay Gap Report 2024](#)). DCMS is committed to eliminating the gender pay gap as part of our ambition to be the most inclusive government department by 2025.

The latest available information details the position as at 31 March 2024 shows that our mean gender pay gap has fallen from 2.94% to 2.4%.

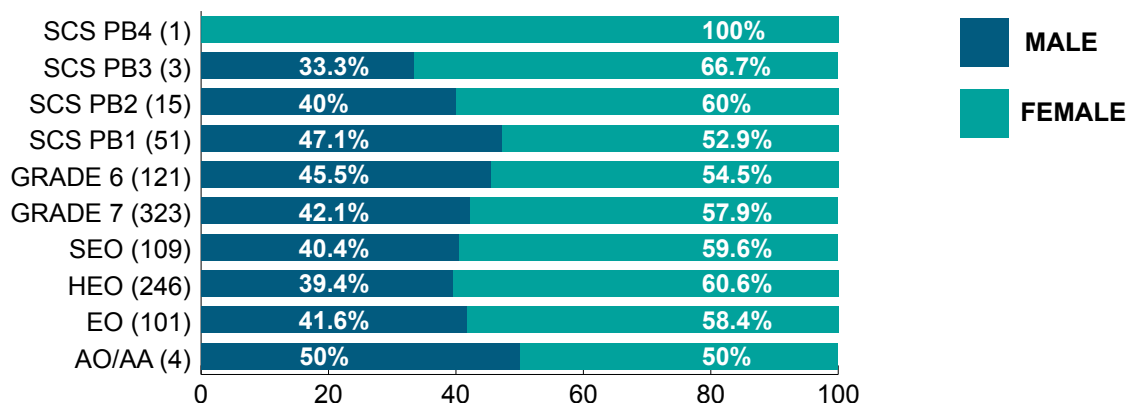
DCMS' median gender pay gap has increased from 1.61% to 2.5%.

In 2023, the median female employee received a 5.00% higher bonus than the median male employee. As of 2024, this is now equal at 0%. The mean bonus for women in 2023 was 6.4% higher than the mean for men, and in 2024 this has reduced to a 5.2% gap in favour of women.

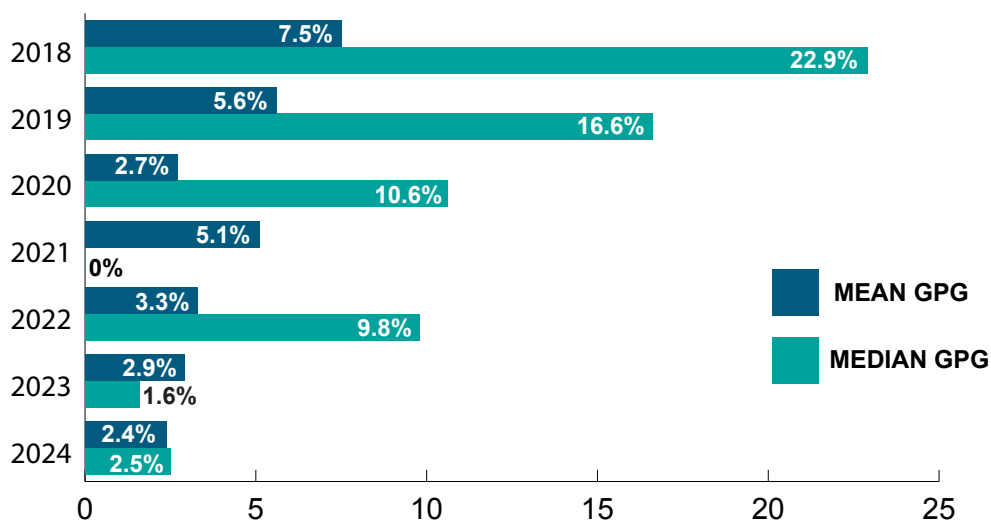
Pay Quartiles



Gender Balance at Each Grade



DCMS gender pay gap trend



Trade union facility time

DCMS regularly engages, negotiates and consults with national and workplace trades union representatives for the Public and Commercial Services (PCS) and FDA unions, in line with our partnership agreement and actively maintains good and effective industrial relations with them.

The DCMS facility time agreement currently states that representatives should collectively spend at least 70% of their time delivering their Civil Service role and any requests for paid facility time must be agreed with the representative's line manager.

All Trades Union duties are recorded by the representatives and shared with the Pay, Reward and Employee Relations team.

The department currently has three employed PCS union representatives, with an additional National PCS officer who is not on DCMS payroll. FDA has no DCMS paid representatives, with all representation carried out by an FDA National Officer. Therefore the cost of Facility Time to DCMS is extremely low, as detailed in the tables below.

Percentage of working hours spent on facility time duties by Trade Union representatives

Percentage of time	Number of employees
0%	0
1 - 50%	3
51 - 99%	0
100%	0

Percentage of pay bill spent on facility time duties

Total cost of facility time	£1,764
Total 24/25 DCMS paybill	£80,192,500
% of 24/25 Paybill	0.002%

The percentage of paybill spent on paid trade union activities is 0%.

Complaints to the Parliamentary & Health Services Ombudsman for the core department

Complaints received	0
Complaints resolved by mediation	0
Decided following primary investigation	0
Resolved with agreement of the complainant at initial checks or Primary Investigation	0
Complaints accepted for detailed investigation	0
Decided following detailed investigation	0
Detailed investigations fully upheld	0
Detailed investigations partly upheld	0
Detailed investigations not upheld	0
Detailed investigations resolved with the agreement of the complainant	0
Detailed investigations discontinued	0
Uphold rate (only upholds)	0
Uphold rate (upheld or partly upheld)	0

Departmental correspondence

DCMS accords ministerial and public correspondence a high priority. These include departmental correspondence and Freedom of Information requests. Our target is to reply to ministerial and public correspondence within 20 working days.

In the financial year 2024-25, DCMS received 2,555 items of ministerial correspondence (letters answered by a minister), answering 58% on time. DCMS also received 2,837 items of treat official correspondence (where an official replies), answering 85% on time.

Compared to the previous year, the department saw a 3% decrease in our response rate for official-level correspondence. For ministerial correspondence, the decrease was more substantial at 12%.

For Freedom of Information (FOI) requests,

DCMS received 603 requests and answered 75% on time, which was a decrease of 5% from the previous year.

We have put in place processes to improve our departmental correspondence rates and seek it as an aim to improve these stats for 2025-26.

Parliamentary activity

Fulfilling our accountability requirements and responding to parliamentary scrutiny in a constructive and timely manner are key priorities for DCMS. Between 1 April 2024 and 31 March 2025, 1,576 Written Parliamentary Questions (WPQs) were due for answer and 1,335 (85%) were answered on time. Compared to 2023-24, answering performance decreased by eight percentage points, but the volume of WPQs received increased by more than 21% in 2024-25.

DCMS responded to Oral Questions in the House of Commons on six occasions during the reporting period, and there were 17 Oral Questions sessions in the House of Lords. DCMS made 44 Written Statements and ten Oral Statements across both Houses, and responded to 55 parliamentary debates (including Urgent Questions). Ministers also participated in legislative debates on the Media Bill (now Media Act 2024) and the Football Governance Bill (now Football Governance Act 2025).

There were two Secretary of State appearances before the Commons Culture, Media and Sport Select Committee (one under the previous administration on 22 May 2024 and one in the current Parliament on 10 December 2024) to answer questions on the work of the department. And DCMS Ministers gave oral evidence to Select Committees on four occasions, as detailed below:

- House of Lords Communications and Digital Committee, The future of news: impartiality, trust and technology, 15 October 2024
- House of Lords Communications and Digital Committee, Scaling up - AI and creative tech, 10 December 2024
- Culture, Media and Sport Committee, The future of the BBC World Service, 17 December 2024
- Culture, Media and Sport Committee, British film and high-end television, 28 January 2025

In addition, the Permanent Secretary appeared before the Public Accounts Committee on 10

February 2025 to give oral evidence on DCMS management of COVID-19 loans.

Sustainability at DCMS - An Overview

DCMS supports the government's net zero and wider environmental goals and is working to address environmental impacts through both our operations and policy making. Our vision is that DCMS will be a department where consideration for the environment is embedded into all of our relevant decision making. We are committed to reducing the impact of departmental operations on the environment and to ensuring that environmental sustainability is a core consideration in everything that we do.

DCMS is continuing to take steps to improve our internal capability with regards to sustainability. In particular we are working to ensure that the Environmental Principles, which came into force in November 2023, are embedded into departmental policy making and that staff have the capability and tools they need to meet the duty to have due regard. Sustainability is a topic that staff are committed to and our Green Network has continued to encourage and enable DCMS staff to act in a more environmentally sustainable way, at work as well as at home.

Many DCMS ALBs continue to be active in this space, providing leadership to their sectors on sustainability. For example, the Arts Council England continues to work with Julie's Bicycle, a partnership which started in 2012, to reduce environmental impacts and drive action across the arts and culture sector.

Sustainable Development Goals

DCMS's ambition is to continue to embed environmental sustainability at the heart of DCMS and for the Sustainable Development Goals (SDGs) to guide this. By improving the sustainability of our buildings and working practices, reducing waste and water consumption, working towards net zero targets, adopting more sustainable procurement practices and integrating sustainability information into reporting mechanisms, we will contribute to SDGs 11, 12 and 13.

Greening Government Commitments 2021-25

In line with the Greening Government Commitments 2021-2025 (GGC), DCMS is committed to reducing the impact of departmental operations on the environment. With the expansion of our office footprint beyond

London, our property team selected our new Manchester HQ in part due to its refurbished status, and pledge to become net zero by 2030. All of our other workspaces and hubs have been sought via the Government Property Agency; these workspaces are designed and operate in a way that is productive and sustainable across its entire life cycle. The Government Property Agency is also committed to reducing the carbon footprint and has taken steps to reduce CO2 emissions. In April 2021, DCMS and our ALBs committed to reducing our direct emissions by 33% by March 2025 - this included minimising waste, reducing water consumption and energy usage. At the close of the reporting year (May 2025 onwards), we'll be able to calculate our final performance under the Greening Government Commitments (GGC), 2021 to 2025 framework. We anticipate a strong impact, reflecting our collective footprint across a range of buildings and the progress driven by our greener, more sustainable initiatives.

DCMS's internal IT Services are designed and contracted to reduce whole life carbon emissions and landfill. This is achieved through our services being run on cloud infrastructure provided by Google which is carbon neutral using 100% renewable energy sources. All vendor contracts used to support the IT services have a zero landfill sustainability clause, and the latest laptops and hardware have been procured to maximise the use of recycled materials.

Climate Change Adaptation and the Environmental Improvement Plan

Climate change adaptation planning in DCMS continues to be undertaken within the cross-government National Adaptation Programme (NAP3), which sets out the actions that the Government and others will take to adapt to the impacts of climate change in the UK between 2023-2028. Our work on NAP3 sets out how the risks of extreme weather events, such as floods, high winds and rising sea levels, will be managed within our policy areas, in particular cultural heritage where DCMS is responsible for a specific NAP3 risk. There are six actions, which DCMS and its arms length bodies are due to complete by 2026. DCMS, and its agencies, continue to engage with the Climate Change Committee, as they finalise their fourth risk assessment on the impact of climate changes on the UK, due to be published in mid-2026.

DCMS has also been actively involved in the Department for Environment, Food and Rural Affairs (Defra) led work to review and update the

Environmental Improvement Plan (EIP) 2023, published in accordance with the Environment Act 2021. We have worked closely with Defra to ensure that the contribution made by our sectors to protecting and restoring the natural environment is appropriately reflected in the revised EIP, which was published in July 2025.

Sustainable Procurement

DCMS supports procurement that is open and competitive. We evaluate bids from suppliers against criteria that are published. These standards work in conjunction with the Government Greening Commitments which set out targets for government departments and agencies to improve greenhouse gas emissions, waste reduction and include transparent reporting on these targets.

Sustainability components are now considered in central government procurement, as outlined in Procurement Policy Note PPN 006: Taking account of Carbon Reduction Plans in the procurement of major government contracts, which includes objectives around ensuring all contracting authorities consider the national priority outcomes around tackling climate change and reducing waste alongside any additional local priorities in their procurement activities. The National Procurement Policy Statement is now provided for at section 13 of the Procurement Act 2023, which places statutory obligation on contracting authorities to have regard to its policy priorities (such as sustainability) and determine how procurements can contribute to the delivery of these wider policy objectives, which we will abide by.

Additionally, following PPN 016: Carbon reduction contract schedule and guidance, we will now review where it may be appropriate to include optional standard carbon reduction contract schedules in Government contracts. We maintain the right to include T&Cs to set and deliver contract specific decarbonisation objectives, and provide a framework to monitor and assess a Supplier's decarbonisation performance. These include contract specific GHG emissions reporting, setting supplier GHG emissions reduction targets and monitoring and reducing GHG emissions throughout the life of the contract through a supplier GHG emissions Reduction Plan.

Social value components - including sustainable procurement practices, reducing carbon footprints, minimising waste, and promoting the use of clean energy and green technologies

- are also considered in central government procurement, aligning these with delivery against wider Government missions, as outlined in *PPN 002: Taking account of social value in the award of contracts*.

Sport

The Department continues to support the sport and physical activity sector to reduce its environmental impact in line with the UK's net zero and nature targets. A key aspect of this policy area includes working with a range of government departments, including DESNZ, Defra, and DfT, to leverage opportunities for a more environmentally friendly sport sector to help deliver on government priorities around net zero, nature, and low-carbon transport.

The Department has been undertaking a piece of research, produced by Alma Economics, which explores the financial impact of climate change on grassroots sport participation. The research finds that the grassroots sport sector is equivalent to approximately 0.5% of the UK's annual carbon footprint. The report is due to be published later this spring.

Sport England, our main delivery partner for grassroots sport, published a new environmental sustainability strategy, *Every Move*, in May 2024. This is widely renowned to be sector-leading, committing to help grassroots sport mitigate and adapt to the impacts of climate change. We continue to work closely with Sport England and our other key public body, UK Sport, to maximise the role which sport can play in educating and inspiring positive change on environmental issues. This includes ensuring sustainability is a core part of the major sporting events which we host - of which there are several in the years to come.

OTHER AREAS

Regulatory Policy Committee

The Regulatory Policy Committee (RPC) provides an opinion on the quality of evidence in regulatory impact assessments (IAs). DCMS submitted 4 final-stage IAs to the RPC for review in the financial year 2024-25. A number of IAs received informal opinions from the RPC and a number of measures were assessed as falling below the de minimis threshold and were certified internally. All IAs are subject to an internal analytical review process and are signed off by the DCMS Chief Economist or delegated to another senior analyst where appropriate (such as for smaller measures). Following the

implementation of significant changes to the Better Regulation Framework in July 2024, DCMS has actively aligned its processes with the new framework requirements and has maintained close collaboration with the RPC secretariat to ensure the development of high-quality impact assessments for our regulatory provisions.

Task Force on Climate-Related Financial Disclosures (TCFD) compliance statement

DCMS has reported on climate-related financial disclosures consistent with HM Treasury's TCFD aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector. DCMS has complied with the TCFD recommendations and recommended disclosures around:

- Governance – see Governance section below.
- Metrics and targets – see Greening Government Commitments, page 224.
- Risk – see Risk section below.

This is in line with HM Treasury's Task Force on Climate Related Disclosure implementation timetable.

Governance and Risk

DCMS has a climate-related risk on its risk register - Environmental Sustainability. This is monitored as per the section "Risks affecting delivery" of this document. Should this risk need escalation it will be reviewed at the Executive Board or one of its sub-committees, as appropriate. The Environmental Sustainability risk was de-escalated to DG reporting level once implementation and adherence of the Environmental Principles. However, the status of this risk is reviewed annually by the Executive Board to ensure re-escalation is not required. It was last reviewed by the Executive Board on 26th March 2025, it was decided that the risk remains delegated to Director General's to review and manage. Environmental Sustainability risk is not deemed per TCFD disclosures to be considered Principal mainly due to the limited footprint that is owned by the core department and the limited impact climate change may have on our core operations. As part of our managing of the risks with actions we undertake, we built in climate considerations into our procurements and relevant business cases that are reviewed to ensure that the impacts on climate are considered.

Machinery of government changes

There were no MoG changes affecting DCMS in the financial year 2024-25.

Prompt payment of suppliers

The Department has a Prompt Payment target, set out by the Cabinet Office, to ensure at least 90% of all undisputed invoices are paid within five working days and is measured against other Government Departments. Further to this, DCMS' policy is to comply with the Institute of Credit Management's Prompt Payment Code, of which DCMS is an approved signatory. The standard terms and conditions for the supply of goods/services specify payment within 30 days of receipt of a valid invoice.

In 2024/25, 84.69% (90% in March 2025) of all undisputed invoices were paid within five working days (76% in 2023/24).

Auditor's remuneration

These financial statements have been audited, under the Government Resources and Accounts Act 2000, by the Comptroller and Auditor General, who is appointed under statute and reports to Parliament. His certificate and report is included in the accounts on page 120. The external audit cost of the departmental group was £0.6m comprising £0.6m notional and £nil cash. Further information is provided in note 4.3 to the accounts.

Directorships and significant interests

Details of directorships and other significant interests held by ministers are set out in the Register of Lords' Interests and the Register of Members' Financial Interests. In accordance with Cabinet Office guidance, DCMS maintains a register of interests that records details of directorships and other significant interests held by senior managers in the department. Details of related party transactions, including those arising as a result of the interests of DCMS board members, are listed at note 22 'Related party transactions'.

In line with the current Declaration of Interests policy for special advisers, all special advisers have declared any relevant interests or confirmed they do not consider they have any relevant interests. Accounting Officer has considered these returns and there are no relevant interests to be published.

COVID-19 Inquiry

The Department continues to meet its obligations to the Covid-19 public inquiry, chaired by Baroness Heather Hallett.

Statement of Accounting Officer's responsibilities

Under the Government Resources and Accounts Act 2000 (the GRAA), HM Treasury has directed the Department for Culture, Media and Sport to prepare, for each financial year, consolidated resource accounts detailing the resources acquired, held or disposed of, and the use of resources, during the year by the department (inclusive of its executive agencies) and its sponsored non-departmental and other arm's length public bodies designated by order made under the GRAA by Statutory Instrument 2024 No. 295 together known as the 'departmental group', consisting of the department and sponsored bodies listed at note 24 to the accounts. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the department and the departmental group and of the income and expenditure, Statement of Financial Position and cash flows of the departmental group for the financial year.

In preparing the accounts, the Accounting Officer of the Department is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- ensure that the department has in place appropriate and reliable systems and procedures to carry out the consolidation process;
- make judgements and estimates on a reasonable basis, including those judgements involved in consolidating the accounting information provided by non-departmental and other arm's length public bodies;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts;
- prepare the accounts on a going concern basis; and
- confirm that the Annual Report and

Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

HM Treasury has appointed the permanent head of the department as Accounting Officer of the Department for Culture, Media and Sport.

The Accounting Officer of the department has also appointed the chief executives or equivalents of its sponsored non-departmental and other arm's length public bodies as Accounting Officers of those bodies. The Accounting Officer of the department is responsible for ensuring that appropriate systems and controls are in place to ensure that any grants that the department makes to its sponsored bodies are applied for the purposes intended and that such expenditure and the other income and expenditure of the sponsored bodies are properly accounted for, for the purposes of consolidation within the resource accounts. Under their terms of appointment, the Accounting Officers of the sponsored bodies are accountable for the use, including the regularity and propriety, of the grants received and the other income and expenditure of the sponsored bodies.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the assets of the department or nondepartmental or other arm's length public body for which the Accounting Officer is responsible, are set out in Managing Public Money published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that DCMS's auditors are aware of that

information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

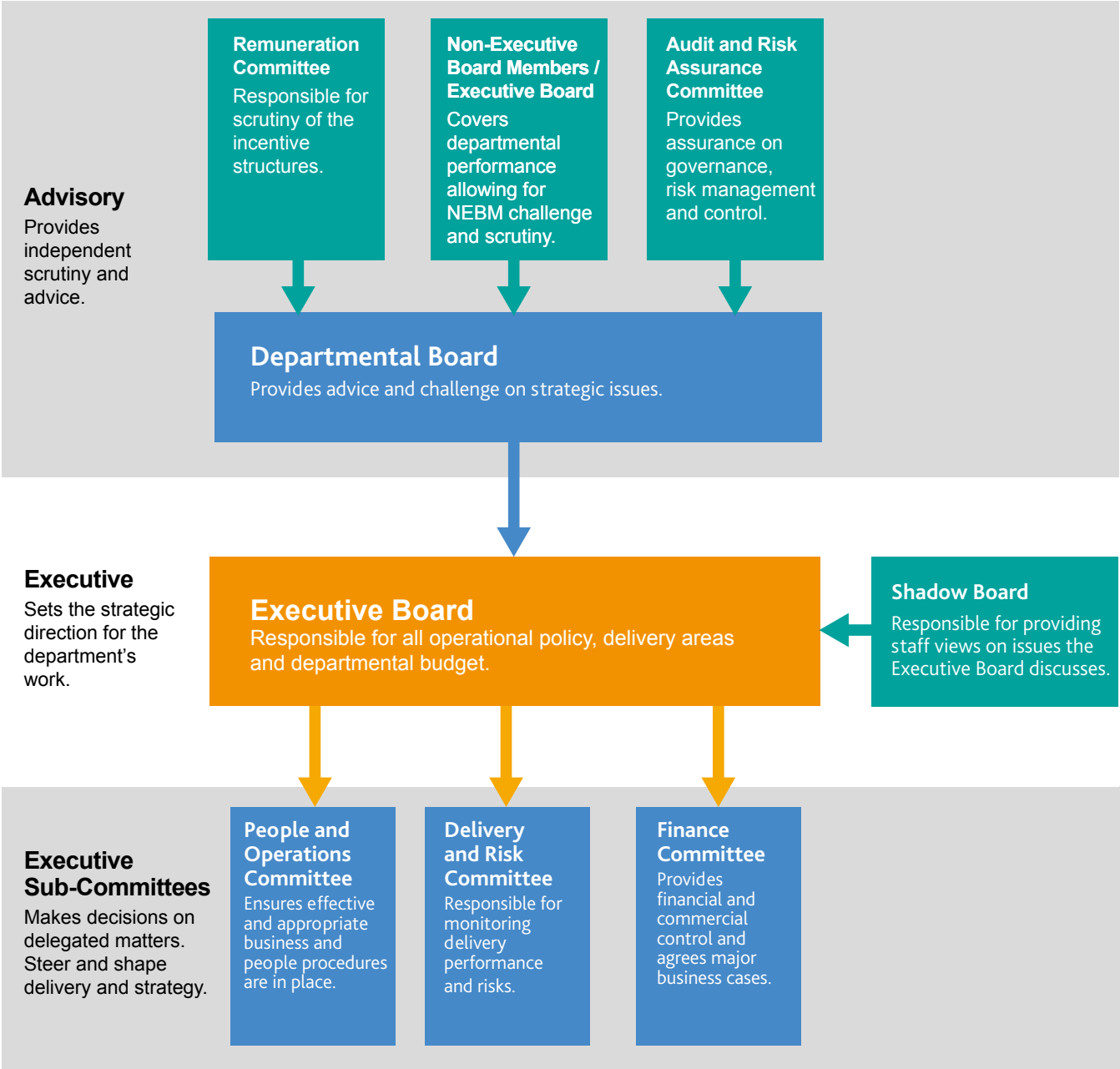
The Accounting Officer of the department has appointed an additional Accounting Officer, Will Macfarlane Director General for Strategy and Major Events at DCMS, to be accountable for that part of the department's accounts relating to rugby union.

Governance statement

This statement sets out the department’s governance structure, risk management framework and internal control procedures. It also integrates information about the department’s public bodies included in the department’s consolidated accounts for 2024-25.

Structure

Our governance structure for 2024-25:



The People and Operations Committee has been disbanded in May 2025.

Departmental Board (DB) and Non Executive Board Member/ Executive Board (NEBM/ EB)

The Departmental Board, along with the Non Executive Board Member/ Executive Board forms the collective strategic and operational leadership of the department, bringing together its ministerial and civil service leaders with non-executives from outside government, to provide independent support and challenge. The Board is governed by the [Corporate Governance Code](#).

Audit and Risk Assurance Committee (ARAC)

The Audit and Risk Assurance Committee (ARAC) is a sub committee of the Departmental Board. It does not have any executive responsibilities, and does not make or endorse any decisions, although it may draw attention to strengths and weaknesses in control and make suggestions for how such weaknesses might be dealt with. As set out in HM Treasury's Audit and Risk Assurance Committee Handbook, the Committee supports the Accounting Officer and Departmental Board by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of financial statements in the Annual Report. It has particular engagement with the work of Internal Audit, the work of the External Auditor and Financial Reporting issues. At the end of March 2025, ARAC was chaired by Claudia Arney (Lead Non-Executive Board Member). Membership comprises the Lead Non-Executive Board Member and two Independent members. It is also attended by the Permanent Secretary, Directors General, the Chief Financial Officer, the National Audit Office and the Government Internal Audit Agency.

Executive Board and sub-committees

Executive Board (EB)

The Executive Board is responsible for the day to day management of the department and the delivery of its strategic objectives. The Board develops and delivers the departmental strategy in line with Ministers' priorities. It makes decisions and scrutinises on a range of areas, including the departmental budget, performance, risk and policy.

Chaired by the Permanent Secretary, the Board includes the Directors General, Chief Financial Officer and Directors of Corporate Strategy, People and Workplace, Communications, and Legal.

A Shadow Board, composed of staff from a range of grades, supports the Executive Board by reviewing the same papers in advance of their meetings.

EB had three sub-committees, outlined below during the 2024-25 year, the People and Operations Committee has been disbanded in May 2025.

Finance Committee

The Finance Committee is responsible for spending approval for departmental projects with a whole life cost of £15m and above; for ALB projects with a self-generated income above £30m; and for any other projects that are novel, contentious or repercussive.

Chaired by the Chief Financial Officer, membership includes directors from across DCMS and two independent members. For cases between £5-15 million are approved by the Investment Sub Committee, which sits below the Finance Committee.

People and Operations Committee

The People and Operations Committee is a sub committee of EB. It considers matters relating to human resources, security, diversity and inclusion and IT.

Chaired by the Directors General for Policy, its membership includes the Director General for Strategy and Operations, Chief Financial Officer, People and Workplace Director and staff networks representatives.

Delivery and Risk Committee

The Delivery and Risk Committee is a sub committee of EB. It provides second line assurance to external facing projects, and helps create the optimal operating environment for successful delivery.

Chaired by the Director General for Strategy and Operations, its membership includes the Directors General for Policy, the Chief Financial Officer, the Director of Commercial, and the Director of Project Delivery and Major Events and has two independent members.

BOARD PERFORMANCE AND EFFECTIVENESS

The HM Treasury and Cabinet Office Corporate Governance in Central Government Departments: Code of Good Practice requires all departments to undertake an annual Board effectiveness evaluation. DCMS's governance structures have been assessed by the Government Internal Audit Agency to be at the highest level of maturity and are operating effectively. An internal review of the governance processes was carried out. The review included an assessment of our board performance, which revealed our boards are performing well. DCMS is dedicated to continually improving our processes to make our governance clearer, more efficient, and better aligned to departmental priorities

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The department fully complies with the HM Treasury and Cabinet Office Corporate Governance Code for central government departments, with the following variations:

- The Remuneration Committee, comprising the Permanent Secretary, Non-Executive Board Members and the Director of People and Workplace, fulfils the role of a Nominations and Governance Committee. It primarily scrutinises the annual SCS pay awards and the non-consolidated performance related awards structure.

Due to a period of change, the Departmental Board convened only once this financial year. There were increased meetings with the Non Executives, who attended Executive Board meetings to stay informed and scrutinise the work of the department. The frequency of Departmental Board meetings has returned to normal for 2025/26.

ATTENDANCE FOR 2024-25

	Departmental Board	Audit and Risk Assurance Committee	Remuneration Committee	Executive Board
Number of meetings held	1	4	1	27
Ministers				
The Rt Hon Lisa Nandy MP	1/1	-	-	-
Sir Chris Bryant MP	0/1	-	-	-
Stephanie Peacock MP	1/1	-	-	-
Baroness Fiona Twycross	0/1	-	-	-
Non-Executive Board Members and Independent Members				
Claudia Arney	1/1	3/4	1/1	-
Simon Ball	1/1	2/3	1/1	-
Ralph Rimmer	1/1	-	1/1	-
Larissa Joy OBE	1/1	-	1/1	-
Dame Patricia Hodgson	1/1	-	1/1	-
William Priest *	-	3/4	-	-
Joanna Rowland *	-	2/4	-	-
Executive Board				
Susannah Storey	1/1	4/4	1/1	24/27
Ruth Hannant / Polly Payne	1/1	4/4	-	26/27
Sam Lister	1/1	3/3	-	17/18
Laura Jackson / Louise Smith	1/1	-	-	21/22
Laura Jackson / Rebecca Egan	-	-	-	5/5
Andrew Pattison	1/1	4/4	-	25/27
Sarah Tebbutt	1/1	2/2	1/1	25/26
Jose Riera	-	-	-	2/2
Jen Wood	0/1	-	-	17/25
Simon Regis	-	-	-	9/11
Simon Gomes	-	-	-	10/13
Naomi Mallick	-	-	-	2/2
Jon Martin	-	-	-	8/10
Andrew Faulkner	-	-	-	1/1

‘-’denotes an individual who is not a member of this group or invited to attend. Some members were not in post for the full financial year, this is demonstrated by only showing the total number of meetings they were eligible to attend.

* Independent Members of the Audit and Risk Assurance Committee

NON-EXECUTIVE BOARD MEMBERS

Claudia Arney, Simon Ball, Dame Patricia Hodgson, Larissa Joy OBE and Ralph Rimmer have provided advice, guidance and challenge to DCMS officials and ministers in 2024-25. They have supported and challenged officials on the department's strategic direction and provide support in monitoring and reviewing progress. Simon Ball, Dame Patricia Hodgson, Larissa Joy OBE and Ralph Rimmer departed on 31 December 2024.

DECLARATION OF INTERESTS

All Board members declare conflicts of interest. Should a conflict be declared, the board member does not take part in that discussion, or excuses themselves entirely where appropriate. Further details can be found at the directorships and significant interests' paragraph on page 58. Further details of Declarations of Interest can be requested via enquiries@dcms.gov.uk.

In line with the current Declaration of Interests policy for special advisers, all special advisers have declared any relevant interests or confirmed they do not consider they have any relevant interests. Accounting Officer has considered these returns and there are no relevant interests to be published.

INFORMATION MANAGEMENT

All Boards and committees are provided with a range of management information in order to review the department's performance and capability.

The department's Delivery Unit provides consistent data, insight and assessment of departmental priorities. This enables the department to obtain a greater view on delivery, anticipate success, identify emerging problems and allow for data driven decision making.

PERSONAL DATA INCIDENTS

In 2024, there were a total of 28 personal data related cases reported, with no cases requiring reporting to the Information Commissioner's Office (ICO).

Training and awareness continue to be delivered by the Office of Data Protection to mitigate further breaches.

EXTERNAL REPORTING

The department provides information to HMT through its Online System for Central Accounting and Reporting (OSCAR) system. Returns to HMT

input into wider government reporting on spending which are made available for public scrutiny.

The department also publishes transparency information on all transactions over £25k and details of all spending over £500 using an electronic purchasing card solution (ePCS). These are made available to view on gov.uk on a monthly basis.

DCMS regularly assesses the quality of the data provided into these returns and ensures it is consistent with data provided to the Board.

APPROACH TO RISK MANAGEMENT

Our Approach to Risk Management

Within the Department for Culture, Media & Sport (DCMS), effective risk management is integral to our governance framework and the successful delivery of our strategic objectives. Our strategy is not to eliminate all risk, but to proactively and transparently manage risks. This approach safeguards public funds and facilitates the achievement of our goals, all while operating within clearly defined risk appetites. These appetites are designed to strike a balance between accountability and proportionality, and our strategic ambitions. We prioritise flexibility, informed judgment, and continuous learning in our risk management practices. Risk management practices comply with the requirements of the Orange Book's five principles, as set out below.

1. An Essential Part of Governance and Leadership

Risk management is driven by DCMS's **Executive Board (EB)**, supported by the **Audit and Risk Assurance Committee (ARAC)** and our dedicated risk management team. Our risk culture is underpinned by departmental values, a clear **Risk Policy, Process Guide**, and a revised Risk Appetite Statement, embedded through training in 2024-25.

Our **principal risks** were monitored via the EB risk register throughout 2024-25, discussed monthly at the EB, **People and Operations Committee (POpCo)**, and **Delivery and Risk Committee**. The risk management team ensures framework implementation, with all members holding or pursuing the Institute of Risk Management Certificate. They facilitate risk discussions across all areas, expanding engagement forums as part of our improvement plan.

2. An Integral Part of All Organisational Activities

Risk management is deeply embedded across all DCMS activities, including: **outcome delivery planning, business planning, policy development and delivery, business case/project approvals, financial management, security, cyber security, counter fraud, and public body oversight.**

Risk discussions are part of everyday conversations, from informal chats to formal governance meetings. The risk team flags critical risks for “deep dives” at appropriate forums. We conduct **bi-annual reviews** of principal risks with the EB and Directors, leveraging Civil Service Board themes, PESTLE analysis, and the National Risk Register to identify short, medium, and long-term threats. Our continuous improvement plan includes enhancing national crisis response readiness and developing a risk-based approach for efficient business planning.

3. Collaborative and Informed

We foster strong internal and external collaboration. Our risk management team partners with colleagues across DCMS (including public bodies sponsor teams, governance, finance, and assurance) to share knowledge consistently. We also collaborate with other **Departmental Heads of Risk** via the HM Treasury’s Risk Centre of Excellence to inform mitigation and reporting on common cross-departmental risks.

For objectives delivered through strategic partners (public bodies, grant intermediates), we use **shared risk registers**. The **Public Bodies risk network**, managed by our risk team, brings together risk specialists from DCMS’s ALBs quarterly to share best practices and build capability.

4. Structured to Include Identification, Treatment, Monitoring, and Reporting

In 2024-25, we continued using our **risk management software tool**, adopted by all directorates for multi-level risk registers. Key risks are escalated to Director General or EB registers when further support is needed. Comprehensive policy, guidance, and training videos on our intranet ensure consistent risk scoring.

Dedicated **Risk Business Partners** liaison with Directors within each DG group, ensuring accurate recording and timely escalation to relevant governance bodies. Information is analysed and reported to senior committees (DRC, POPCo,

EB). Regular **risk challenge sessions** scrutinise risk controls, mitigations, and tolerance levels, ensuring accurate threat descriptions.

5. Continually Improved

DCMS is committed to continuous improvement in our risk management culture and processes. Our risk team collaborates with **HM Treasury’s Risk Centre of Excellence** and cross-government Heads of Risk to share best practices and identify improvement priorities. This year, we successfully restarted the Public Bodies risk network to build capability and capacity within our ALBs.

Changes to risk management

DCMS remains committed to continuously enhancing its risk management capabilities, ensuring our approach is dynamic and effective.

During 2024/25, our key risk management priorities included:

- **Optimising our Risk Software Tool:** We continued to leverage our dedicated risk management software tool, complemented by ongoing training. This has been a significant success, leading to more efficient processes and improved analysis of risk information. The tool has boosted DCMS’s risk maturity by refining our reporting, enhancing performance tracking against our risk appetites. This has also improved the risk management team’s ability to analyse risks by theme and streamline reporting.
- **Updating Core Policy and Guidance:** We successfully updated and published our revised **Risk Policy** and a new **DCMS Risk Appetite Statement**, providing clearer guidance and a more defined framework for risk-taking across the Department.

Other activities completed to further mature our risk management practices include:

- **Dedicated Business Partner Support:** Our risk management team now offers tailored business partner support to each directorate’s Senior Leadership Team (SLT), fostering closer collaboration and more embedded risk practices.
- **Thematic Risk Reviews:** We regularly conduct thematic risk sessions across the DCMS portfolio to identify common cross-cutting risks and rigorously test our mitigation strategies.
- **Internal Audit Review:** We successfully completed an internal audit review of risk management, which provided a **moderate**

assurance rating, affirming the general effectiveness of our current processes while highlighting only a few areas for future enhancement.

Looking ahead to 2025/26, our risk improvement plan focuses on:

- **Reviewing Foundational Documents:** We will revise and seek approval for our departmental risk appetite statement, risk policy, and risk process guide to ensure they remain current and effective and used on an ongoing basis.
- **Deepening Risk Insights:** We aim to further enhance our risk analysis and insights to provide more robust support for decision-making at senior committees.
- **Assessing Risk Maturity:** We plan to conduct a comprehensive risk maturity assessment to identify areas for further development.
- **Promoting Training Uptake:** We will actively promote and encourage the uptake of emerging Civil Service-wide risk management training to build capability across the Department.

ASSURANCE EXERCISES

The DCMS has an assurance framework which is broken into sections based upon how DCMS delivers its objectives, either through its

public bodies; a project/programme, or through corporate services/functions supporting delivery. The following diagram shows the different levels of assurance for each of these delivery types, using the three lines model.

Delivery Type	1st Line of assurance undertaken by	2nd Line of assurance undertaken by	3rd Line of assurance undertaken by	External undertaken by
DCMS Corporate Services	Directors Functional Leads (re functional work) Line Managers Director Generals	Functional Teams Subject Matter Experts Governing Bodies of DCMS	GIAA	NAO Public Accounts Committee Select Committees Other Government Departments including Cabinet Office and HM Treasury Customers / suppliers / employees of DCMS invoices/payslips
Public Bodies	Sponsorship Teams (inc Sponsorship Directors)	Functional Teams (inc Public Bodies Team) Governing Bodies of DCMS	GIAA Independent Public Body Review Reviewers	NAO Public Accounts Committee Select Committees Other Government Departments including Cabinet Office and HM Treasury
Projects and Programmes	Senior Responsible Owners (SROs) Accounting Officer	Functional Teams (inc PD CoE) Subject Matter Experts Governing Bodies of DCMS	GIAA IPA	NAO Public Accounts Committee Select Committees Other Government Departments including Cabinet Office and HM Treasury

First line of assurance roles

Front line management and systems provide assurance that performance and quality is monitored, risks identified and addressed, and objectives are being achieved. These sources of assurance lack independence and objectivity, but they come from those familiar with the business, culture and day-to-day challenges.

Second line of assurance roles

Second line management roles provide complementary expertise, support, monitoring, and challenge related to the management of risks. These roles are separate from those responsible for delivery, but not independent of the organisation's management chain

Third line of assurance roles

Third line roles communicate independent and objective assurance and advice to management and the governing body on the adequacy and effectiveness of governance and risk management (including internal control), to support the achievement of organisational objectives and to enable continuous improvement. The annual internal audit strategy and programme of audits is agreed by the Audit and Risk Committee (ARAC). Progress reports are provided within a year to each ARAC. An annual audit opinion is drafted at the conclusion of the annual programme of audits.

External

In addition to these three lines, various other sources of assurance come from roles outside of DCMS, including the National Audit Office (NAO) and Parliament's Public Accounts Committee (PAC), both of whom provide independent assurance on government activities to Parliament.

During 2024/25, we undertook a comprehensive annual review to assess the effectiveness of our risk management, governance, and internal controls. This review brought together significant sources of assurance, including our internal audit findings, as well as:

- **Directors' Assurance Questionnaire:** We surveyed DCMS Directors to gather their assurance on existing risk management practices and controls, and to solicit proposals for improvement. For the first time this year, we also cross-referenced questionnaire responses against our corporate risk appetite to strategically prioritise areas for enhancement. To validate accuracy, we tested

a small sample of responses. We're pleased to report continued progress, with most areas showing improvement. Notably, there were significant strides this year in Commercial Contract Management and Diversity and Inclusion scores.

- **Orange Book Risk Control Framework Compliance:** To reinforce our commitment to the HM Government's Orange Book Principles, we developed a comprehensive set of expected evidence. This ensures that the core components of the Orange Book are demonstrably in place across DCMS operations.
- **Second Line Assurance Testing:** We mapped the assurance arrangements of most departmental functions throughout the year. Utilizing these assurance maps, we identified key second line assurance arrangements, encompassing the work of various DCMS functions, governing bodies, and our dedicated assurance team. We then triangulated the results of these arrangements against the Directors' self-assessment responses to identify and address any discrepancies.
- **Functional Standard Self-Assessments:** Supplementing the above, we continued our practice of collating self-assessments from DCMS core functional leads regarding their progress in implementing functional standards. DCMS has now achieved full compliance with the mandatory requirements of six standards, with development plans in place to ensure compliance with all functional standards in a manner that supports our business needs. Furthermore, we've initiated a programme to engage with public bodies to seek assurance on their compliance with these standards. Our approach is proportionate, focusing on the most critical standards and assessing compliance levels in a representative sample of public bodies. Functional leads subsequently collaborate with relevant public bodies to help them achieve mandatory compliance.
- **Challenge Sessions:** The DCMS Assurance Team actively hosts challenge sessions to identify priority areas for control improvements. These panel sessions were held with each Director General (DG) and their respective Director teams. A culminating final panel session, chaired by the independent Chair of ARAC, involved the Permanent Secretary and both DGs. The presence of the Government Internal Audit Agency provided invaluable additional challenge and insight.

Following these comprehensive sessions, the following areas have been prioritised for

continuous improvement in 2025/26:

- Assurance over public body governance
- Corporate Compliance
- Information security
- Upskilling policy teams with project skills
- Crisis response management

GOVERNANCE OF PUBLIC BODIES

Over the financial year 2024-25, DCMS worked with 42 Public Bodies in total with a wide span of policy and operational responsibilities across DCMS sectors, 33 of whose accounts were consolidated into DCMS accounts (see note 1.3).

The department's Public Bodies are governed by their own independent boards, each with their own separate governance and internal assurance structures, details of which can be found in their individual Annual Reports and Accounts. The 36 bodies consolidated into the department's accounts are all individually reviewed by DCMS as part of the process of preparing the group accounts.

In 2024-25 the department continued to follow its Integrated Assurance Framework, seeking assurances on its Public Bodies through the three lines of assurance model which includes a number of assurance mechanisms, such as:

- A sponsorship model, with dedicated sponsors (supported by functional teams such as: HR, Public Appointments, Commercial or the Finance Business Partners) holding regular (usually quarterly) meetings to review delivery, risk and performance (Partnership Meetings);
- Annual Chair Appraisals and Board Effectiveness Reviews which are carried out every year and every three years by an external independent assessor;
- Public Bodies' governance statement and confirmation letters from Public Bodies' assurance and risk Chairs on the effectiveness of internal controls and compliance;
- Advice and challenge from the Audit and Risk Committee on assurance processes;
- DCMS Finance Team attendance or review of papers from Public Body Audit and Risk Committees to gain assurance about the overall efficiency and effectiveness of the organisation
- Review and challenge of Public Body financial

forecasts for those bodies in receipt of Grant-in-Aid.

- All DCMS Public Bodies in receipt of Grant-in-Aid have a delegated spending authority limit approved by Parliament. All spending over those limits require approval from HM Treasury, as will all spending within those limits that is novel, contentious or repercussive. This process is undertaken via the DCMS Finance Team, who are also responsible for monitoring compliance with these limits Public Bodies Performance and Risk Board, which scrutinises Public Bodies' risks on a quarterly basis, ensuring that the right controls and mitigations are in place, and escalating to the Executive Board, via the Delivery & Risk Committee, the most significant risks;
- A quarterly Sponsorship Directors Forum, which reviews and interrogates the Public Bodies risks which are escalated to the Delivery and Risk Committee
- The continuation of a Framework Document refresh with our Public Bodies, working in partnership with HMT Spending Team and Treasury Officers of Accounts and ensuring adherence to Managing Public Money.
- A submission of Public Bodies annual pay remits to DCMS HR, to ensure alignment with Government pay controls.
- Relationships with Public Body commercial leads were maintained via a monthly forum chaired by DCMS, complemented by the implementation of a 'Commercial Knowledge Hub' which acts as a message board and document library. This ensured that DCMS provided a dedicated channel to engage Public Bodies in the implementation of the Procurement Act (2023). In-scope commercial activity was assured via the department's Commercial Assurance Board providing Public Bodies access to the department's commercial expertise during the development of business cases, supporting progress through the Investment Sub Committee and Finance Committee, ensuring better commercial outcomes.

In 2024/25 DCMS updated its Public Bodies Complaints and Whistleblowing guidance. This version offers guidance for managing cases that involve: a registered or exempt charity; a CEO or top executive; a member of the Board or a Chair. It provides guidance on how to approach each of these scenarios and what considerations should be made.

It should be noted that Public Bodies

are expected to have their own internal Whistleblowing (and other complaints) policies and procedures available to their staff to follow when a concern is raised and to be fully exhausted under these. In exceptional circumstances, however, a concern may be raised directly with DCMS as the sponsor department.

PUBLIC BODIES REVIEWS

In 2022, the Cabinet Office launched a centrally-led [Public Bodies Review Programme](#). This stipulated which public bodies should be reviewed by sponsoring departments in each financial year. The programme came to a close in 2025, meaning individual departments now have the autonomy to determine which public bodies are most suitable for review based on their strategic significance and relevance to achieving departmental outcomes.

DCMS has prioritised the [independent review of Arts Council England \(ACE\)](#), which was launched in February 2025 and is being led by Baroness Margaret Hodge. This review will cover ACE's strategic objectives, its working relationships and partnerships, and its relationship with government.

The department is currently evaluating whether additional public body reviews should be carried out during the 2025/26 financial year, as well as how to respond to the review of the British Tourist Authority (BTA). These decisions are linked to the cross-government Plan for Change, particularly the Chancellor of the Duchy of Lancaster's [recent commission on public body reform](#).

APPOINTMENT TO PUBLIC BODY BOARDS

DCMS ministers appoint, or make recommendations to the Prime Minister or the Sovereign to appoint, the Chairs and trustees of the majority of DCMS Public Bodies. Appointments to the department's Public Body Boards are regulated by the Commissioner for Public Appointments.

Between 1 April 2024 and 31 March 2025, the department made 66 regulated public appointments. Of these, 43 were new appointments and 23 were reappointments. 55% of appointments were to women, 19% were made to people from a minority ethnic background and 6% to candidates declaring disabilities. 33% of the appointments made were to individuals outside London and the South East region. The Department is committed and

determined to increasing diversity and ensuring that it is attracting the widest pool of talent to the public appointments system.

MANAGING RISKS IN PUBLIC BODIES

While responsibility for managing their own risks remains with Public Bodies, the department is sighted on these and regularly reviews in detail those which may impact DCMS should they materialise. These are scrutinised and monitored by relevant DCMS Boards and Committees.

The level of departmental engagement with individual Public Bodies to formally scrutinise their performance, risks, finances and delivery is undertaken through quarterly Partnership Meetings.

DRC oversees the management of both DCMS core departmental and Public Body risk. A sub-committee of DRC, the Public Bodies Performance and Risk Board, monitors all Public Body risks through the identification of risk categories, themes and trends - supporting effective and aligned risk mitigation. The findings by this Board are escalated to the Sponsorship Directors Forum and then to DRC for further scrutiny via a quarterly risk dashboard and governance report.

The Public Bodies risk dashboard for DRC, and subsequently the Executive Board, shows the top Public Body risks affecting DCMS broken down into impact categories following the Orange Book's principles. These risks are identified from information and insights obtained from the sponsor/functional teams reporting to the Public Bodies Performance and Risk Board and scrutinised by DRC.

In line with the scope of Accounting Officer responsibility, the department has Framework Documents or other agreements with its Public Bodies. These are a core constitutional document setting out their purpose, describing the governance and accountability framework that applies between their roles and that of the department and rest of government. They reflect the specific structures, roles and responsibilities within each Public Body and set out how the day-to-day relationship, governance and financial matters operate in practice. These are currently being refreshed in line with the latest HMT guidance.

Accounting Officers of all Public Bodies are made aware of the importance of managing risks proportionately, maintaining a sound

internal control system, and ensuring propriety, regularity and value for money in all aspects of governance, decision making and financial management. During the financial year (or after the year-end and before the department's accounts are signed), all Public Body Accounting Officers are required to notify the department of significant internal control weaknesses or issues arising. They must incorporate a governance statement in their accounts. The department takes prompt follow-up action as necessary on any matters identified from these governance statements or notifications. In addition, the Public Bodies have their own audit committees, and the department's Finance and Commercial Director writes to the Chairs of these forums requesting disclosure or any matters warranting inclusion in this report. The Audit and Risk Assurance Committee (ARAC) Chair also convenes a twice-yearly Forum meeting for the Public Bodies ARAC chairs to cascade pertinent information. We also hold a quarterly meeting with all ALB ARAC chairs invited to discuss relevant matters.

GOVERNANCE ARRANGEMENTS OF ALBS SIGNIFICANT TO DCMS ACCOUNTS

For those areas significant to the group's accounts an overview of the governance arrangements is set out below.

National Lottery

The department is responsible for the policy and legislative framework underpinning the National Lottery and works closely with the Gambling Commission (GC), the independent regulator of the National Lottery licence. Amongst other things, the GC monitors and reports on the performance of the operator and enforces the terms of its licence. The department maintains oversight of the GC's activities through appropriate controls, including a management statement covering regularity and propriety issues, and through an established series of regular meetings and ad hoc interactions. The current (4th) licence commenced on 01 February 2024, when Allwyn Entertainment Ltd took over stewardship of the National Lottery.

As steward of the National Lottery Distribution Fund (see below) the department's priority is to ensure a smooth delivery of the 4th licence. Risks in 2024-25 included those arising from the delay to the achievement of 4th licence full functionality; and also the continuing litigation in respect of the 4th licence competition and related matters, of which the scale, complexity and

associated risks have grown during the year.

In relation to delivery, the GC continues to oversee Allwyn's implementation of its application commitments. Some of these commitments are dependent on the integration of new technology, and others were always intended to be delivered over the course of the Licence.

On the legal case in relation to GC's decision to award the Licence to Allwyn, this ongoing litigation has a number of complex and difficult to quantify consequences, scenarios and permutations; however, commercial sensitivities preclude more detailed disclosures which may potentially be prejudicial to the challenge. The trial started in October 2025.

The department remains closely engaged with the GC on these risks via the controls mentioned above, particularly mindful of the potential readacross to the National Lottery Distribution Fund (see Note 21.1.2 on page 208).

The amounts raised through the National Lottery for good causes are paid into the National Lottery Distribution Fund (NLDF) which is managed and run by staff employed by the department. Lottery monies are independent of the government and are distributed at arms length by independent lottery distributing bodies. The department implements appropriate controls over lottery distributors, including financial directions, to ensure propriety, regularity and accountability in their handling of lottery monies drawn down. DCMS seeks annual confirmation from all lottery distributors of key systems of internal control in relation to their handling of lottery monies. The distribution of National Lottery funding has not been impacted by the move from the 3rd to the 4th licence.

The BBC

The BBC is established by Royal Charter. Her Majesty the Queen Elizabeth II granted the current Charter at the end of 2016 and it will last until 31 December 2027. The BBC Board has up to 14 members, with the government appointing the chair and four non-executive members for each of the nations. The BBC appoints five non-executive members to the Board. Neither ministers nor the department have direct responsibility or accountability for the BBC's day to day expenditure, nor operational, managerial or editorial decision-making, as these roles are vested in the BBC and its Board.

The BBC licence fee settlement period covers

1 April 2022 to 31 March 2028. The licence fee was frozen for the first two years of the settlement, before rising in line with inflation for the following four years. The cost of the licence fee therefore rose to £174.50 in April 2025. The BBC has responsibility for the collection of the licence fee, and the BBC Board must ensure that arrangements for the collection of the licence fee are efficient, appropriate and proportionate (as set out in the Charter). The BBC Board has responsibility for the content of the 2024-2025 BBC Annual Report and Statement of Accounts.

On 7 December 2024, the BBC Mid-Term Review was published which looked at the effectiveness of both the governance of the BBC and the regulatory framework designed to ensure it delivers on its responsibilities.

The forthcoming Charter Review is a key opportunity to set the BBC up for success long into the future and ensure it continues to deliver its important public service obligations. It will look at a range of issues, including the BBC's funding model, to make sure the BBC truly represents and delivers for every person in the UK.

Other

The department also sponsors a number of advisory bodies and committees, public corporations and public broadcasting bodies (which have greater levels of independence) and other organisations that receive DCMS grant funding.

DCMS GROUP ACCOUNTS - POINTS OF INTEREST

The Comptroller & Auditor General has qualified his regularity audit opinion on the National Museum of Liverpool's 2023-24 financial statements because, in his view, the Museum made a grant payment of £3 million to the National Museum Liverpool Foundation in March 2024 that was not for capital purposes, despite this being financed from capital grant-in-aid funding from the Department for Culture, Media and Sport restricted for use on capital projects. We will look to avoid a reoccurrence in future years.

The DCMS group was issued with a £180k fine by HMT due to a third instance of non-compliance with pay spend controls in three financial years across EHT, Tate and another entity resulting in retrospective HMT approval being required. One other entity received retrospective approval for an historic bonus but

was not fined as this was agreed in 2019 but first paid in 2024-25. Due to the long passage of time the approvals process was inadvertently not followed by this entity. HMT advised DCMS to provide an update by the end of September 2025 highlighting lessons learnt and subsequent interventions to reduce the level of retrospective approvals, confirming that further fines will be imposed for additional breaches. The department has responded to HMT, and will continue to engage with public bodies to reiterate the importance of spend controls as well as ask them to provide their own assurance on how they operate within their organisation.

Accounts timetable

The timetable for laying the 2024-25 DCMS Group Accounts is post recess. This is primarily due to delays experienced on the audit assurances for the Local Government Pension Scheme (LGPS) persisting into 24-25 and the number of 23-24 ALB accounts (and 23-24 DCMS accounts) being delivered post-recess last year, which has meant that it was not possible to return to a pre-recess timeline for 24-25. We are exploring what options we have for delivery of pre-recess accounts for 25-26 DCMS accounts.

FRAUD AND ERROR

The department's risk appetite for fraud is minimal and it focuses its counter fraud response on higher risk and value funding, ensuring through investment appraisal processes that proportionate post event assurance and second line sampling is conducted on its most significant grant schemes.

DCMS has a Senior Officer Accountable for Counter Fraud at Executive Board level who is responsible for ensuring that the department's overall arrangements for managing the risk of fraud and error are appropriate. Aggregated data on fraud and error against the department or its public bodies, or affecting Exchequer funding, are recorded and reported to Audit and Risk Committees. Other relevant authorities, including law enforcement agencies, as appropriate. All staff in the department are required to undertake bi-annual fraud awareness training.

The department is committed to meeting the requirements of the Counter Fraud Functional Standard and the departmental responsibilities as set out in the Public Sector Fraud Authority (PSFA) mandate and has engaged with the PSFA in several areas, including data analytics, intelligence, investigation and enforcement. The

department continues to be a member of the cross government Internal Fraud Hub, requiring it to provide details of any civil servants dismissed for committing internal fraud, to strengthen pre-employment checks across government. No referrals to the hub were made in 2024-25. In 2024-25, DCMS took part in a cross government data matching exercise (the National Fraud Initiative), which identified one instance of internal fraud, which was referred to law enforcement for investigation.

The department's Counter Fraud Strategy and Policy sets out in detail the department's approach to tackling fraud and error, whilst the Economic Crime Response Plan sets out the arrangements for reporting and responding to fraud. The Policy and Plan have been reviewed in line with PSFA requirements.

The department has a dedicated Economic Crime Team responsible for monitoring compliance with the Counter Fraud Functional Standard, advising on the management of fraud risk, raising capability across the department and supporting public bodies' approach to tackling economic crime. In 2024-25, the Economic Crime Team focussed on improving assurance arrangements with the Department's delivery partners, data analytical reviews, expert support to higher risk areas and capability building with public bodies, as well as advising on appropriate investigation routes for suspected frauds.

Data on prevented, detected and recovered fraud and error is reported on a quarterly basis by the department and its public bodies to the PSFA, where it is quality assured and published in the cross government Annual Fraud Landscape Report. DCMS has not recorded any material frauds within its core expenditure in 2024-25. The department undertook assurance exercises for the five largest grant schemes accounted for in its core accounts in 24/25, including one statistically valid fraud and error loss measurement exercise. Public bodies are responsible for reporting any significant frauds in their own annual report and accounts. Plans are in place to progress our assurance work further in 2025-26 including driving up compliance with our policy, developing an overarching framework and embedding risk based statistically valid test methodologies as a standard.

We have worked closely with the COVID Fraud Commissioner's office throughout this year,

providing evidence of our management of fraud risk during and after the pandemic, including ongoing initiatives to identify and recover fraud.

WHISTLEBLOWING

DCMS's Raising a Concern Policy and Procedure (also known as Whistleblowing) is published on the department's intranet. DCMS has 3 independent nominated officers whom staff can approach anonymously to report any concerns they may have about perceived wrongdoings or something that goes against the Civil Service Code (i.e integrity, honesty, objectivity, impartiality). The department also participates in the annual Civil Service 'Speak Up' campaign each year through central communications available on our intranet. In the 2024 People Survey DCMS obtained a score of 84% for inclusion and fair treatment. In addition 92% of staff reported that they understand the Civil Service Code and what it means for their conduct, 70% knew how to raise a concern under the code, and 76% confirmed they were confident that a raised concern under the Civil Service Code would be properly investigated. There were 0 incidences of Whistleblowing during this reporting period.

GROUP WRITE-OFFS

A summary of losses can be found in the Parliamentary accountability disclosures on page 116. During 2024-25, 3 individual losses exceeded £300,000.

TAX POLICY FOR OFF-PAYROLL APPOINTEES

Tax assurance evidence is sought annually to ensure compliance and where this is not the case, the expectation is that contracts will be terminated. DCMS public bodies have also been asked to provide assurance of compliance with this tax policy. Personal details of all engagements where assurance is requested but not received, for whatever reason, except where the deadline for providing assurance has not yet passed, is sent to HM Revenue and Customs for further investigation. A summary of the DCMS tax assurance data is available at:

<https://www.gov.uk/government/publications/dcms-tax-reporting-data-for-off-payroll-workers-april-2024-to-march-2025>

MINISTERIAL DIRECTIONS

A ministerial direction is defined as the occasion where the department's Accounting Officer has

presented a formal objection (based on grounds of regularity, propriety, value for money or feasibility) to the proposed action of a minister, and the minister overrules that advice. If a direction is given, the Accounting Officer will no longer be challenged by the Public Accounts Committee as to why they took forward the policy. During 2024-2025 there were no instances of a ministerial direction.

CONFLICTS OF INTEREST POLICY AND PROCEDURE

All members of the Departmental Board, Audit and Risk Assurance Committee, and Executive Board are required to declare any personal or business interest which may, or may be reasonably perceived (by a member of the public), to influence their judgement in performing their functions and obligations. When a board member declares a potential conflict at meetings, it is recorded in the minutes and the board member takes no part in the meeting for the duration of that item of discussion.

ACCOUNTING OFFICER SYSTEM STATEMENT

The Accounting Officer System Statement sets out all of the accountability relationships and processes within the departmental group, including relationships with DCMS public bodies and other delivery partners. An updated version was published on 28 February 2025, and is available at <https://www.gov.uk/government/publications/dcms-accounting-officer-system-statement-2025/dcms-accounting-officer-system-statement-2025>

Internal Audit Annual Report

Every year, Internal Audit works with the department's senior managers to plan an annual programme of assurance work, supporting the effective identification and management of key risks across the organisation. Internal audit activity and engagement across the year then informs the Group Chief Internal Auditor's (GCIA) independent annual opinion. The annual opinion provides the Accounting Officer with dependent assurance regarding the adequacy and effectiveness of risk management, control and governance at DCMS during the last financial year.

In this year's Annual Report and Opinion, the Group Chief Internal Auditor again provided an overall Moderate assurance on the overall adequacy and effectiveness of the DCMS

framework of governance, risk management, and internal control. Her opinion is based on internal audit activity conducted during the period, which included a mix of risk-based audits, real-time assurance and advisory work.

The report identifies several key themes emerging from audit engagements:

- **Corporate Compliance:** Ensuring adherence to standards, codes, and policies.
- **Public Bodies:** Overseeing delivery through numerous public bodies and maintaining consistency.
- **Change and Project Management:** Improving project oversight and learning from successful practices like the Delivery and Risk Committee (DRC).
- **DDaT and Cyber Security:** Addressing ongoing cyber threats and improving data security.
- **Capacity and Capability:** Efficiently using resources and addressing staff wellbeing.

Each audit engagement has recommendations and addressing those will be monitored by the Audit, Risk and Assurance Committee.

NATIONAL AUDIT OFFICE REPORTS

The department's work was the subject of the following NAO reports in 2024-25, summarised below:

BBC Studios: Value for money report

The NAO published a report into BBC Studios, one of two commercial subsidiaries of BBC, on (i) the performance of BBC Studios from the 2018 merger to November 2024, (ii) BBC Studios' future plans, and (iii) the governance and oversight of BBC Studios.

In relation to the performance of BBC Studios, the report found that BBC Studios' income and profits grew between 2018-19 and 2022-23, but fell in 2023-24, partly due to challenging market conditions and its own investment needs. The report found that BBC Studios has adapted its business strategy and, despite diversifying how it generated income from content production and distribution, BBC Studios has not met its targets for generating new IP.

In relation to its future plans, the report highlighted that, whilst BBC Studios planned to double its size between 2021-22 and 2027-28, the BBC had not updated its published financial targets for BBC Studios despite significant

changes to its business model and the market.

In relation to the BBC governance and oversight, the report found that the BBC had complied with the regulatory requirements surrounding its commercial subsidiaries and that BBC Studios had improved its internal performance reporting since the last NAO report in 2020, but that there was room for further development. The report also noted that the BBC had improved governance and risk management arrangements for its commercial activities. It also found that the BBC had clarified its approach to balancing its own needs with those of its commercial subsidiaries when deciding the dividends to be paid.

The report recommended that (i) BBC Studios should review the risks associated with not meeting its targets for generating new BBC Studios' owned IP; (ii) the BBC should review its published financial targets for BBC Studios; (iii) the BBC should ensure that BBC Studios' strategic plans for delivering growth continue to evolve to reflect market developments; and that (iv) BBC Studios should improve the consistency and effectiveness of its internal performance reporting.

Responding to the NAO's report, the BBC welcomed the NAO's positive assessment of BBC Studios and its strategy in diversifying the business in response to changing market conditions. The BBC welcomed the NAO's recommendations in full, which it is now taking forward.

DCMS' management of its COVID-19 loan book

Between October 2020 and March 2022, the Department lent £474 million to 120 borrowers operating in the culture and sports sectors to help them survive the COVID-19 pandemic. This report looks at whether DCMS is delivering value for money through its management of the loan book.

The NAO found, although initial development of the loan book operating model was slower than planned, DCMS has since established robust structures, governance, and operational arrangements for effective long-term management. Repayments are largely on track, with DCMS achieving a significant majority 97% of scheduled repayments achieved by October 2024. However, some significant defaults have occurred. DCMS is now focused on reviewing its medium to long-term plans and the ongoing

cost-effectiveness of its loan book management including options available to ensure that the loan book is getting the best possible returns.

Conflicts of Interest

The National Audit Office (NAO) report on managing conflicts of interest across government departments considered processes within DCMS. The report noted there are good conflict of interest reporting systems in place. It also noted the Department should ensure that where conflicts exist, proposed mitigations are reviewed by more senior members. We have updated our processes and are now completing these reviews.

Department for Culture, Media & Sport and BBC: Overview

This report introduced DCMS and the BBC, and the NAO's examination of the spending and performance of both. This report, published in December 2024, was produced for the new Parliament to support the Committee of Culture, Media and Sport and Members across the House in their examinations of DCMS and the BBC.

NAO Recommendation Tracker

The NAO recommendations tracker is published twice a year. The tracker brings together NAO recommendations published in their reports since 1 April 2019. The aim of the tracker is to increase transparency on the outcomes of their recommendations and promote scrutiny and parliamentary accountability for government spending. They are publishing it within their role as the UK's independent public spending watchdog.

Accounting Officer's Conclusion

I have considered the evidence provided regarding the production of the annual governance statement - including from the department's governance structures, reviews of our public bodies and the independent advice provided by the Audit and Risk Assurance Committee. I conclude that the department has satisfactory governance and risk management systems in place with effective plans to ensure continuous improvement.

Remuneration report

Core department only

This annual remuneration report is prepared with reference to guidance contained in the annual Employer Pension Notice (EPN 727) issued by Civil Service Pensions (MyCSP) on 31 January 2025. ALBs provide equivalent information in their own accounts where required to do so.

Remuneration policy

The Prime Minister, following independent advice from the Senior Salaries Review Body, sets the remuneration arrangements for senior civil servants.

The review body also advises the Prime Minister from time to time on the pay and pensions of members of Parliament and their allowances; on Peers' allowances; and on the pay, pensions and allowances of ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975.

In reaching its recommendations, the Review Body is to have regard to the following considerations:

- the need to recruit, retain and motivate and, where relevant, promote suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services;
- the funds available to departments as set out in the government's departmental expenditure limits; and
- the government's inflation target.

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations. Further information about the work of the Review Body can be found at: <https://www.gov.uk/government/organisations/review-body-on-senior-salaries/about>

Service contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit, on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at: <https://civilservicecommission.independent.gov.uk/>

Remuneration (including salary) and pension entitlements

The following sections provide details of the remuneration and pension interests of the ministers and most senior management of the department.

Remuneration (salary, benefits in kind and pensions – subject to audit)

Single total figure of remuneration

Ministers	Salary		Benefits in kind (to nearest £100)		Pension benefits (to nearest £1000) ¹		Total (to nearest £1000) ²	
	2024-25 (FYE)	2023-24 (FYE)	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
The Rt Hon Lisa Nandy, MP, Secretary of State for Culture, Media and Sport from 5 July 2024 to Present	49,406 (67,505)	-	-	-	13,000	-	62,000	-
Stephanie Peacock, MP, Minister of State for Sport, Media, Civil Society and Youth from 9 July 2024 to Present	16,295 (22,375)	-	-	-	4,000	-	20,000	-
Sir Chris Bryant, MP, Minister of State for Creative Industries, Arts and Tourism from 8 July 2024 to 6 September 2025 ³	-	-	-	-	-	-	-	-
Baroness Twycross, Parliamentary Under-Secretary of State from 23 July 2024 to Present ⁴	-	-	-	-	-	-	-	-
The Rt Hon Lucy Frazer, MP, Secretary of State for Culture, Media and Sport from 7 February 2023 to 5 July 2024 ⁵	34,975 (67,505)	67,505	-	-	4,000	18,000	39,000	86,000
The Rt Hon Stuart Andrew, MP, Parliamentary Under Secretary of State at the Government Equalities Office from 20 September 2022 to 5 July 2024 ⁶	5,999 (22,375)	22,375	-	-	1,000	6,000	7,000	28,000
Julia Lopez, MP, Minister of State at the Department for Culture, Media and Sport from 7 February 2023 to 5 July 2024 ^{7,8,9}	16,414 (31,680)	31,680	-	-	2,000	8,000	18,000	40,000
Lord Parkinson, Parliamentary Under Secretary of State and Lords Minister from 30 September 2021 to 20 September 2022 and from 30 October 2022 to 5 July 2024 ¹⁰	36,770 (70,775)	70,775	-	-	4,000	6,000	41,000	77,000

Paul Scully was DCMS Parliamentary Under Secretary of State (Minister for Technology and the Digital Economy) from 27 October 2022 to 7 February 2023. Between 1 April 2023 and 31 March 2024, he received a net overpayment from the Department of Culture, Media and Sport of £10,808.03, which has been repaid in full.

Notes:

1. The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.
2. The total remuneration has been calculated by adding the actual remuneration and expressing this figure to the nearest £1,000. Due to rounding the total may not exactly reflect the declared values in the components of the remuneration, such as salary and pension benefits.
3. Sir Chris Bryant, MP, was also a minister at the Department for Science, Innovation and Technology (DSIT), he was paid by DSIT and does not receive a salary from DCMS.
4. Baroness Twycross is paid by His Majesty's Treasury and occupies her role in DCMS as an unpaid minister.
5. The Rt Hon Lucy Frazer, MP, was remunerated by DCMS from 1 March 2023 to 5 July 2024.
6. The Rt Hon Stuart Andrew, MP, was appointed as Parliamentary Under Secretary of State (Minister for Sport, Tourism and Civil Society, and Minister for Equalities) between 20 September 2022 and 27 October 2022 and was appointed as Parliamentary Under Secretary of State for Sport, Gambling and Civil Society, and Minister for Equalities from 27 October 2022.
7. This role was held jointly with her role as Minister of State for the Department for Science, Innovation and Technology from 7 March 2023 to 5 July 2024.
8. Julia Lopez, MP, was classed as Minister on Leave from 9 May 2023 to 20 December 2023, during

this period she still received full remuneration from the Department for Culture, Media and Sport.

9. Julia Lopez, MP, received a severance payment of £7,920.
10. Lord Parkinson was appointed as Minister for Arts and Heritage and Lord Minister for the Department for Culture, Media and Sport on 7 February 2023. From 27 March 2024 his role changed to Minister for Arts, Heritage and Libraries.

The following tables disclose the remuneration of the departmental Executives.

Single total figure of remuneration

Executives	Salary (£'000)		Bonus payments (£'000)		Benefits in kind (to nearest £100)		Pension benefits (to nearest £1000) ¹		Total (£'000) ²	
	2024-25 (FYE)	2023-24 (FYE)	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Susannah Storey, Director General for Digital and Media to 7 February 2023, Permanent Secretary from 12 July 2023 to Present	160-165 ³	110-115 ³ (150-155)	-	10-15	-	-	62,000	53,000	220-225	175-180
Ruth Hannant, Interim Permanent Secretary from 7 February 2023 to 10 July 2023, Director General for Culture, Sport and Civil Society from 11 July 2023 to Present	105-110 ⁴ (150-155)	100-105 ⁴ (145-150)	0-5	0-5	-	-	48,000	39,000	155-160	145-150
Polly Payne, Interim Permanent Secretary from 7 February 2023 to 10 July 2023, Director General for Culture, Sport and Civil Society from 11 July 2023 to Present ⁴	105-110 (150-155) ⁵	100-105 (140-145) ⁵	0-5	0-5	-	-	45,000	40,000	150-155	145-150
Andrew Pattison, Chief Financial Officer from 19 February 2024 to Present, Interim Director General for Strategy and Operations from 10 November 2024 to Present ⁹	135-140	15-20 (125-130)	0-5	0-5	-	-	66,000	(4,000)	205-210	10-15
Jonathan Martin, Interim Director General for Strategy and Operations from 10 November 2024 to Present ⁹	45-50 (110-115)	-	0-5	-	-	-	27,000	-	80-85	-
Laura Jackson, Director Corporate Strategy from 6 November 2023 to Present	70-75 (100-105) ⁶	25-30 (95-100) ⁶	-	-	-	-	33,000	10,000	105-110	35-40
Rebecca Egan, Director Corporate Strategy from 1 February 2025 to Present	15-20 (70-75)	-	-	-	-	-	3,000	-	15-20	-
Jennifer Wood, Director of Communications from 29 April 2024 to Present	120-125 (130-135)	-	-	-	-	-	270,000	-	390-395	-
Louise Smith, Director Corporate Strategy from 6 November 2023 to 1 February 2025 ⁷	70-75 (100-105) ⁸	25-30 (95-100) ⁸	-	-	-	-	28,000	11,000	95-100	40-45
Sam Lister, Director General for Strategy and Operations to 10 November 2024	90-95 (150-155)	145-150	-	-	-	-	37,000	58,000	130-135	205-210
Sarah Tebbutt, Director, People and Workplace to 16 March 2025	130-135 (135-140)	130-135	0-5	-	-	-	-	-	135-140	130-135
Andrew Faulkner, Director, People and Workplace from 24 March 2025 to present ¹⁰	0-5 (100-105)	-	-	-	-	-	3,000	-	5-10	-

Notes:

1. The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.
2. The total remuneration has been calculated by adding the actual remuneration and expressing this figure to the nearest £1,000. Due to rounding the total may not exactly reflect the declared values in the components of the remuneration, such as salary and pension benefits.
3. Susannah Storey worked part-time (0.9 FTE) until 9 July 2023, since 10 July 2023 she has worked full-time.
4. Ruth Hannant works in a job share part time (0.7 FTE).
5. Polly Payne works in a job share part time (0.7 FTE).
6. Laura Jackson works part-time (0.7 FTE).
7. Louise Smith has been on paid maternity leave from 1 February 2025.
8. Louise Smith works part-time (0.7 FTE).
9. Andrew Pattison and Jonathan Martin provided interim cover for the Director General for Strategy and Operations role upon the departure of Sam Lister.
10. Andrew Faulkner joined as the Director for People and Workplace from 24 March 2025.

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the department and thus recorded in these accounts. In respect of ministers in the House of Commons, departments bear only the cost of the additional ministerial remuneration; the salary for their services as an MP (£91,346 from 1 April 2024) and various allowances to which they are entitled are borne centrally. However, the arrangement for ministers in the House of Lords is different in that they do not receive a salary but rather an additional remuneration, which cannot be quantified separately from their ministerial salaries. This total remuneration, as well as the allowances to which they are entitled, is paid by the department and is therefore shown in full in the figures above.

Non-consolidated performance related pay awards (Bonuses)

The performance management and reward policy for all members of the Senior Civil Service (SCS), including board members, is managed within a central framework set by the Cabinet Office.

SCS non-consolidated pay is agreed each year following Senior Salaries Review Body recommendations, and is expressed as a percentage of the department's total base pay for the SCS. The DCMS Senior Pay Committee is responsible for assessing the relative contribution of individual SCS members and making the final pay decisions. Non-consolidated performance pay is awarded in arrears.

The non-consolidated performance pay included in the 2024-25 figures in the above table relate to awards made in respect of the 2023-24 performance year but paid in the financial year 2024-25. Similarly, the comparable bonuses reported for 2023-24 relate to performance in 2022-23.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the department and treated by HMRC as a taxable emolument. No minister has received living accommodation provided at public expense and chargeable to tax under s163 of the Income and Corporation Taxes Act 1988.

Pay multiples (subject to audit)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the following of the remuneration of the organisation's workforce: lower quartile, median and upper quartile.

The banded remuneration of the highest-paid director in DCMS in the financial year 2024-25 was £160,000-£165,000 (2023-24: £160,000-£165,000). This was 3.0 times (2023-24: 3.0) the median remuneration of the workforce, which was £54,629 (2023-24: £53,300).

In 2024-25, nil (2023-24: nil) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £26,599 to £165,000 (2023-24: £24,779 to £165,000).

Total remuneration includes full-time equivalent salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Percentile pay ratio	2024-25	2023-24
Band of highest paid director's total remuneration (£'000)	160-165	160-165
25th percentile pay ratio	4.1	4.3
50th percentile pay ratio (Median)	3.0	3.0
75th percentile pay ratio	2.5	2.6

2024-25 Amounts	25th percentile	50th percentile	75th percentile
Total pay and benefits	£39,980	£54,629	£64,837
Salary and allowance component of total pay and benefits	£39,730	£52,579	£64,837

The median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for the entity's employees taken as a whole.

Annual remuneration percentage change (subject to audit)

The table below shows the percentage change from previous year in total salary and allowances and performance pay and bonuses for the highest paid director and for staff average (excluding the highest paid director).

Highest paid Director	2024-25	2023-24
Salary and Allowances	+5.7%	+1.3%
Performance Pay and Bonuses payable	-100%	+100%
Staff average		
Salary and Allowances	+4.0%	+5.0%
Performance Pay and Bonuses payable	+9.65%	+29.2%

Salary and allowances cost in 2024-25 have increased by due to grade mix changes implemented towards the end of 2023-24 and the 2024 pay uplifts.

Non-Executive board members

	Remuneration and full year equivalent (£'000)	
Non-Executive board member	2024-25	2023-24
Claudia Arney, Lead Non-Executive Board Member from 15 April 2021	20-25	20-25
Simon Ball, Non-Executive Board Member and Audit and Risk Committee Chair from 17 July 2023	20-25	10-15 (20-25)
Dame Patricia Hodgson, Non-Executive Board Member from 6 July 2023	10-15	10-15
Larissa Joy, Non-Executive Board Member from 6 July 2023	10-15	10-15
Ralph Rimmer, Non-Executive Board Member from 6 July 2023	10-15	10-15

Pension benefits – ministers (subject to audit)

Ministers	Accrued pension at age 65 as at 31 March 2025 (£'000)	Real increase in pension at age 65 (£'000)	CETV at 31 March 2025 (£'000)	CETV at 31 March 2024 (£'000)	Real increase in CETV (£'000)
The Rt Hon Lisa Nandy, MP, Secretary of State for Culture, Media and Sport from 5 July 2024 to Present	1	1	12	-	7
Stephanie Peacock, MP, Minister of State for Sport, Media, Civil Society and Youth from 9 July 2024 to Present	1	1	4	-	2
Sir Chris Bryant, MP, Minister of State for Creative Industries, Arts and Tourism from 8 July 2024 to 6 September 2025	-	-	-	-	-
Baroness Twycross, Parliamentary Under-Secretary of State from 23 July 2024 to Present	-	-	-	-	-
The Rt Hon Lucy Frazer, MP, Secretary of State for Culture, Media and Sport from 7 February 2023 to 5 July 2024	5	1	84	78	3
The Rt Hon Stuart Andrew, MP, Parliamentary Under Secretary of State at the Government Equalities Office from 20 September 2022 to 5 July 2024	3	1	53	51	1
Julia Lopez, MP, Minister of State at the Department for Culture, Media and Sport from 7 February 2023 to 5 July 2024	2	1	30	28	1
Lord Parkinson, Parliamentary Under Secretary of State and Lords Minister from 30 September 2021 to 20 September 2022 and from 30 October 2022 to 5 July 2024	6	1	81	75 ¹	2

Notes:

1. A revised 23/24 CETV figure of £75k is reported for Lord Parkinson (previously published figure was £156k)

Ministerial pensions

Pension benefits for ministers are provided by the Parliamentary Contributory Pension Fund (PCPF). The scheme is made under statute and the rules are set out in the Ministers' etc. Pension Scheme 2015, available at:

<https://mycpfpension.co.uk/wp-content/uploads/2019/09/ministerial-pension-scheme-rules.pdf>

Those ministers who are Members of Parliament may also accrue a MP's pension under the PCPF (details of which are not included in this report). A new MP's pension scheme was introduced from May 2015, although members who were aged 55 or older on 1 April 2013 have transitional protection to remain in the previous final salary pension scheme.

Benefits for ministers are payable from State Pension age under the 2015 scheme. Pensions are re-valued annually in line with Pensions Increase legislation both before and after retirement. The contribution rate from May 2015 is 11.1% and the accrual rate is 1.775% of pensionable earnings.

The figure shown for pension value includes the total pension payable to the member under both the pre and post 2015 Ministerial pension schemes.

The cash equivalent transfer value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total Ministerial service, not just their current appointment as a minister. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to 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 2024.

HM Treasury published updated guidance on 24 April 2024 this guidance has been used in the calculation of 2023-24 CETV figures.

The real increase in the value of the CETV

This is the element of the increase in accrued pension funded by the Exchequer. It excludes increases due to inflation and contributions paid by the Minister. It is worked out using common market valuation factors for the start and end of the period.

Pension benefits – officials (subject to audit)

Executives	Accrued pension at pension age as at 31 March 2025 and related lump sum (£'000)	Real increase in pension and related lump sum as at pension age (£'000) ¹	CETV at 31 March 2025 (£'000)	CETV at 31 March 2024 (£'000)	Real increase in CETV (£'000)
Susannah Storey, Director General for Digital and Media to 7 February 2023, Permanent Secretary from 12 July 2023 to Present	50-55	2.5-5	805	695	41
Ruth Hannant, Interim Permanent Secretary from 7 February 2023 to 10 July 2023, Director General for Culture, Sport and Civil Society from 11 July 2023 to Present	50 -55 plus a lump sum of 85-90	2.5-5 plus a lump sum of 0-2.5	973	891	33
Polly Payne, Interim Permanent Secretary from 7 February 2023 to 10 July 2023, Director General for Culture, Sport and Civil Society from 11 July 2023 to Present	45-50 plus lump sum of 65-70	2.5-5 plus lump sum of 0-2.5	903	822	34
Andrew Pattison, Chief Financial Officer from 19 February 2024 to Present, Interim Director General for Strategy and Operations from 10 November 2024 to Present	65-70	2.5-5	1004	903	44
Jonathan Martin, Interim Director General for Strategy and Operations from 10 November 2024 to Present	45-50	0-2.5	782	-	17
Laura Jackson, Director Corporate Strategy from 6 November 2023 to Present	15-20	0-2.5	200	162	19
Rebecca Egan, Director Corporate Strategy from 1 February 2025 to Present	25-30	0-2.5	348	-	2
Jennifer Wood, Director of Communications from 29 April 2024 to Present	30-35	12.5-15	574	-	214
Louise Smith, Director Corporate Strategy from 6 November 2023 to 1 February 2025	25-30	0-2.5	344	300	14
Sam Lister, Director General for Strategy and Operations to 10 November 2024	45-50	0-2.5	700	631	22
Sarah Tebbutt, Director, People and Workplace to 16 March 2025 ²	-	-	-	-	-
Andrew Faulkner, Director, People and Workplace from 24 March 2025 to present	30-35 plus lump sum of 70-75	0-2.5 plus a lump sum of 0-2.5	604	601	2

Notes:

1. Final salary member (classic/classic plus/premium) who have transitioned to alpha. The final salary pension of a person in employment is calculated by reference to their pay and length of service. The pension will increase from one year to the next by virtue of any pay rise during the year. Where there is no or a small pay rise, the increase in pension due to extra service may not be sufficient to offset the inflation increase – that is, in real terms, the pension value can reduce, hence the negative values.
2. Sarah Tebbutt opted out of the pension scheme on 31 August 2021, information has therefore not been provided.

Civil Service pensions

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

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into **alpha** sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below).

All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two schemes. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (**partnership** pension account).

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

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

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.

Any members affected by the Public Service Pensions Remedy were reported in the 2015 scheme for the period between 1 April 2015 and 31 March 2022 in 2022-23, but are reported in the legacy scheme for the same period in 2023-24.

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

The cash equivalent transfer value (CETV)

A cash equivalent transfer value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension 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 member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

The real increase in the value of the CETV

This reflects the increase in CETV 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.

Compensation for loss of office (subject to audit)

No board members or executives left under agreed terms or were paid compensation for loss of office in 2024-25 (2023-24: none).

Ministers

4 Ministers left in 2024-25.

The Rt Hon Lucy Frazer, MP, left under severance terms on 5 July 2024 and received a compensation payment of £16,876.

Julia Lopez, MP, left under severance terms on 5 July 2024 and received a compensation payment of £7,920.

Lord Parkinson left under severance terms on 5 July 2024 and received a compensation payment of £17,742.

The Rt Hon Sir Stuart Andrew, MP, left under severance terms on 5 July 2024 and did not receive a compensation payment.

Special advisers

2 special advisors left in 2024-25.

Special Advisers are temporary civil servants. In order to improve efficiency, the administration of staff costs for all Special Advisers across government was moved to the Cabinet Office in July 2019, with the corresponding budget cover transfers. Special Advisers remain employed by the respective Departments of their appointing Minister.

Staff report

The staff report provides required disclosures on staff activity, staff numbers and expenditure.

The number of core department senior civil servants by £5,000 paybands:

Payband	Number of staff (SCS) Headcount 31 March 2025	Number of staff (SCS) Headcount 31 March 2024
£70,000-£74,999	0	0
£75,000-£79,999	3	9
£80,000-£84,999	7	32
£85,000-£89,999	29	2
£90,000-£94,999	4	1
£95,000-£99,999	5	11
£100,000-£104,999	6	4
£105,000-£109,999	0	2
£110,000-£114,999	7	1
£115,000-£119,999	2	1
£120,000-£124,999	1	0
£125,000-£129,999	0	0
£130,000-£134,999	1	2
£135,000-£139,999	1	1
£140,000-£144,999	0	1
£145,000-£149,999	1	2
£150,000-£154,999	2	1
£155,000-£159,999	0	0
£160,000-£164,999	1	0
£165,000-£169,999	0	0
Total	70	70

Number of core department civil service staff (or equivalent but excluding contract and agency staff) by band

The grading structure of the department based on full time equivalent (FTE) staff in post:

Grade	FTE payroll staff at 31 March 2025	FTE payroll staff at 31 March 204
Permanent Secretary	1.0	1.0
Senior Civil Service pay band 3	1.4	2.4
Senior Civil Service pay band 2	15.6	13.2
Senior Civil Service pay band 1	46.8	49.3
Grade 6	131.9	114.9
Grade 7	334.9	313.6
SEO	152.2	106.3
HEO	242.3	239.8
EO	94.5	98.6
AO/AA	4.0	4.0
Total	1,024.6	943.1

DCMS workforce has seen a temporary increase in FTE to work on new priorities and we have planned to reduce these numbers at the end of the next financial year.

Staff loans

The department utilised a total of 188 staff from other government departments during the year.

Number of loans

The grading structure of all loans:

Grade	Loan In		Loan Out	
	Six months or Less	Over six months	Six months or Less	Over six months
Senior Civil Service Pay Band 3	0	0	0	0
Senior Civil Service Pay Band 2	0	2	0	0
Senior Civil Service Pay Band 1	0	7	0	1
Grade 6	2	26	0	3
Grade 7	3	62	0	8
SEO	6	24	0	1
HEO	3	46	0	8
EO	2	5	0	2
Total	16	172	0	23

159 staff in the above table were loaned in for greater than six months duration and 4 staff were loaned in for less than six months at a cost to DCMS of £8,957k. 25 staff were loaned in (12 at six months or less duration, 13 over six months duration) and were paid by their home department.

DCMS Core staff numbers and related costs (subject to audit)

Staff costs comprise:	2024-25						2023-24
	Permanently employed staff	Others	Contract and agency staff	Ministers	Special advisors	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Wages & salaries	55,653	1,538	2,811	159	-	60,161	57,005
Social security costs	6,089	3	-	13	-	6,105	5,841
Pension costs	14,929	4	-	-	-	14,933	13,415
Total costs	76,671	1,545	2,811	172	-	81,199	76,261
Less: Recoveries in respect of outward secondments	(783)	-	-	-	-	(783)	(4,152)
Total net costs	75,888	1,545	2,811	172	-	80,416	72,109
Of which:							
Core department	75,888	1,545	2,811	172	-	80,416	72,109
Total net costs	75,888	1,545	2,811	172	-	80,416	72,109
Wages & salaries	1,607,401	7,163	26,584	159	-	1,641,307	1,574,178
Social security costs	190,091	887	-	13	-	190,991	179,447
Pension costs	312,351	179	-	-	-	312,530	302,382
Total costs	2,109,843	8,229	26,584	172	-	2,144,828	2,056,007
Less: Recoveries in respect of outward secondments	(768)	-	-	-	-	(768)	(4,102)
Total net costs	2,109,075	8,229	26,584	172	-	2,144,060	2,051,905
Of which:							
Core department	75,888	1,545	2,811	172	-	80,416	72,109
Arm's length bodies	2,033,187	6,684	23,773	-	-	2,063,644	1,979,796
Total net costs	2,109,075	8,229	26,584	172	-	2,144,060	2,051,905

The pension attributable to the BBC PSB Group cannot be separately identified from the wider BBC group pension. Accordingly, the pension costs included above include the pension costs for the entire BBC group and therefore inflate the group's staff costs.

In addition to staff costs above, £13,597k (2023-24: £23,077k) was charged to capital.

Staff costs include an accrual for holiday pay in accordance with IAS 19 Employee Benefits.

Principal Civil Service Pension Scheme (PCSPS)

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as “Alpha” – are unfunded multi-employer defined benefit schemes but the department is unable to identify its share of the underlying assets and liabilities.

The scheme actuary valued the PCSPS as at 31 March 2020. You can find details in the resource accounts of the [Cabinet Office: Civil Superannuation](#).

For 2024-25, employers' contributions of £13,746k for the core department were payable to the PCSPS (2023-24: £13,325k) at 28.97% (2023-24: one of four rates in the range 26.6% to 30.3%) of pensionable earnings, based on salary bands. Group employers' contributions of £86,430k (2023-24: £83,024k) were payable to the PCSPS at 28.97% (2023-24: one of four rates in the range 26.6% to 30.3%). The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions by the core department were £75k (2023-24: £83k) and by the group were £4,519k (2023-24: £4,194k). These contributions were paid to one or more of a panel of three appointed stakeholder pension providers. Employer contributions are age-related and ranged from 8% to 14.8% for the core department and 8% to 14.8% for the Group. Employers also match employee contributions up to 3% (2023-24: 5%) of pensionable earnings.

In addition, employer contributions of £nil (2023-24: £3k) for the core department, £193k (2023-24: £185k) for the group representing 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 or ill health retirement of these employees.

Contributions due to the partnership pension providers at the balance sheet date were £6k (2023-24: £14k) for the core department. Contributions prepaid at that date were £nil (2023-24: £nil) for the core department.

For the core department, nil (2023-24: nil), individuals retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £nil (2023-24: £nil) for the core department. For the group nil, (2023-24: nil) individuals retired early on ill-health grounds.

Other pension schemes

Employer contributions to other pension schemes by the group in the year amounted to £120,748k (2023-24: £179,207k) (note 19). A list of these bodies is provided in note 24.

Average number of persons employed (subject to audit)

The average number of full-time equivalent persons employed during the year was as follows:

	2024-25						2023-24
	Permanently employed staff	Others	Contract and agency staff	Ministers	Special advisers	Total	Total
Staff employed	31,681	150	846	3	2	32,682	32,005
Staff engaged on capital projects	242	15	26	-	-	283	522
Total	31,923	165	872	3	2	32,965	32,527
Of which:							
Core department	1,005	33	68	3	2	1,111	984
Arm's length bodies*	30,918	132	804	-	-	31,854	31,543
Total	31,923	165	872	3	2	32,965	32,527

*The total number of staff employed at the BBC PSB Group is 17,530 (2023-24: 17,611).

The BBC PSB Group is included above within ALBs

Staff receivables

As at 31 March 2025, 119 employees (31 March 2024: 1,529 employees) of the group were in receipt of advances of travel, housing or other loans which are repayable to the employer of £25k (31 March 2024: £2,167k).

Sickness absence data

Average working days lost = **4.0**

The average working days lost for sickness absence increased from 3.5 in 2023-24. This remains below the latest available Civil Service average of 7.8 (as at 31 March 2024¹).

Expenditure on consultancy

For expenditure on consultancy, refer to note 4.3 on page 160.

Staff composition

The number of civil service staff (excluding agency and contractors) expressed as both headcount and full time equivalent of the core department, split between male and female as at 31 March 2025:

Grade	Headcount			FTE		
	Female	Male	Total	Female	Male	Total
Exec Team	7	2	9	5.5	2.0	7.5
Other SCS	33	28	61	30.0	27.4	57.4
Grade 6	80	59	139	73.2	58.7	131.9
Grade 7	203	141	344	195.4	139.5	334.9
SEO	94	61	155	91.2	61.0	152.2
HEO	152	96	248	146.8	95.5	242.3
EO	60	37	97	57.9	36.5	94.4
AO/AA	3	1	4	3.0	1.0	4.0
Total	632	425	1,057	603.0	421.6	1,024.6
Percentage of staff				59%	41%	100%

Staff turnover percentage (per Cabinet Office guidance)

The average turnover for 2024-25 was 5.5% (12.1% in 2023-24).

The average departmental turnover for 2024-25 was 17.2% (20.2% in 2023-24).

Notes:

1. Latest available figures from Cabinet Office at time of writing.
2. Average turnover percentage figure relates to staff leaving the Civil Service upon departure from DCMS. Average departmental turnover includes data for all staff leaving DCMS.

Reporting of Civil Service and other compensation schemes – exit packages (subject to audit)

Exit package cost band	2024-25					
	Core department			Departmental group		
	Number of compulsory redundancies	Number of other departures agreed*	Total number of exit packages by cost band*	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
Less than £10,000	-	1	1	89	72	161
£10,000 - £25,000	-	2	2	59	109	168
£25,000 - £50,000	-	-	-	27	164	191
£50,000 - £100,000	-	-	-	2	318	320
£100,000 - £150,000	-	-	-	-	259	259
£150,000 - £200,000	-	-	-	-	3	3
More than £200,000	-	-	-	-	2	2
Total number of exit packages	-	3	3	177	927	1,104
Total cost (£'000)	-	43	43	2,559	66,914	69,473
Total exit costs paid in year - cash basis			43			63,901

*including special severance payments and Ministers exit packages.

Included above are 707 other departures (64% of total group exit packages) with a cost of £58,548k (84% of total group cost) relating to the BBC PSB Group.

	2023-24					
	Core Department			Departmental Group		
Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
Less than £10,000	-	1	1	17	67	84
£10,000 - £25,000	-	1	1	24	132	156
£25,000 - £50,000	-	-	-	12	154	166
£50,000 - £100,000	-	-	-	5	252	257
£100,000 - £150,000	-	-	-	1	208	209
£150,000 - £200,000	-	-	-	2	1	3
More than £200,000	-	-	-	-	1	1
Total number of exit packages	-	2	2	61	815	876
Total cost (£'000)	-	22	22	1,415	53,523	54,938
Total exit costs paid in year - cash basis	-	-	-	-	-	52,767

Included above are 690 other departures (79% of total group exit packages) with a cost of £50,050k (91% of total group cost) relating to the BBC PSB Group.

All Exits and Special Severance Payments Annually (subject to audit)

The number of Special Severance Payments made by DCMS in 2024-25 is 0 (2023-24: 1). The total amount paid out is £0 (2023-24: £14,441).

Civil Service Compensation Scheme

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

Other schemes

Some of the ALBs operate other schemes which are not listed in Schedule I to the Superannuation Act 1972 and may therefore apply different statutory compensation schemes. Full details can be obtained from the individual published accounts of the ALBs.

Off-payroll arrangements

Information about off-payroll arrangements in DCMS can be found on page 73.

Application of Business Appointments Rules (BARs)

Ministers and civil servants leaving office are subject to rules regarding appointment in other sectors. These rules, known as the Business Appointment Rules, exist to prevent former civil servants and ministers being able to profit from their knowledge of and contacts within Whitehall, and to prevent any perception of wrongdoing. The rules were administered during 2024/25 by the Advisory Committee on Business Appointments (ACoBA).

The leavers process for all line managers includes compliance with the BARs, and where applicable leavers need to fill in the Business Appointments Application Form. Information on this process is available on the intranet. No breaches of the process have been identified within the year.

The following section provides details on the BARs applications within the year 2024-25:

Number of exits from the Civil Service (SCS)

Grade	Number of exits from the Civil Service (SCS)
Senior Civil Service pay band 2	1
Senior Civil Service pay band 1	5

Number of BARs applications assessed by the department over the year (by grade)

Grade	Number of BARs applications assessed by the department
Senior Civil Service pay band 2	2
Senior Civil Service pay band 1	2
Grade A (Upper) (Grade 6)	0
Grade A (Grade 7)	2
Grade B (HEO/SEO)	1
Grade C (EO)	0
Total	7

Number of BARs applications where conditions were set (by grade)

Of the 7 assessed, 2 had conditions set:

Grade	Number of BARs applications assessed by the department
Senior Civil Service pay band 1	1
Grade A (Upper) (Grade 6)	0
Grade A (Grade 7)	0
Grade B (HEO/SEO)	1
Grade C (EO)	0
Total	2

Of the 7 assessed, none were found to be unsuitable for the applicant to take up the external post.

Parliamentary accountability and audit report

The Parliamentary accountability and audit report brings together the key Parliamentary accountability documents within the annual report and accounts.

Statement of Outturn against Parliamentary Supply (SOPS)

In addition to the Primary Statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires DCMS to prepare a Statement of Outturn against Parliamentary Supply (SOPS) and supporting notes to show resource and capital outturn against the Supply Estimate presented to Parliament, in respect of each budgetary control limit.

The SOPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

The SOPS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate. Supply is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated Fund), that Parliament gives statutory authority for entities to utilise. The Estimate details supply and is voted on by Parliament at the start of the financial year.

Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion.

The format of the SOPS mirrors the Supply Estimates, published on www.gov.uk, to enable comparability between what Parliament approves and the final outturn.

The SOPS contains a summary table, detailing performance against the control limits that Parliament have voted on, cash spent (budgets are compiled on an accruals basis and so outturn won't exactly tie to cash spent) and administration.

The supporting notes detail the following:

- Outturn by Estimate line, providing a more detailed breakdown (SOPS 1);
- a reconciliation of outturn to net operating expenditure in the SoCNE, to tie the SOPS to the financial statements (SOPS 2);
- a reconciliation of outturn to net cash requirement (SOPS 3); and
- an analysis of income payable to the Consolidated Fund (SOPS 4).

The SOPS and Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. An understanding of the budgeting framework and an explanation of the key terms is provided in the Financial Review section of the Accountability Report. Further information on the Public Spending Framework and the reasons why the budgeting rules are different to IFRS can also be found in chapter 1 of the Consolidated Budgeting Guidance, available on www.gov.uk.

The SOPS provides a detailed view of financial performance, in a form that is voted on and recognised by Parliament. The Statement of Outturn against Parliamentary Supply commentary provides a summarised discussion of outturn against estimate.

Administration and Programme Expenditure and Income

The classification of expenditure and income as administration or as programme follows the definitions set out in the Consolidated Budgeting Guidance issued by HM Treasury. Under the HM Treasury *Simplifying and Streamlining Accounts* project, this split is no longer required in the primary statements.

Administration expenditure reflects the costs of running the department and those ALBs allocated an administration budget in the Spending Round. Some categories of ALBs do not have an administration budget allocation and they therefore report only programme costs. Programme costs reflect non-administration expenditure and include payments of grants and expenditure on ALBs objectives.

Charity Income - donations

In the financial accounts, donations of assets and cash (that has been expressly given to purchase an asset) are recognised as income (note 5.2), but treated as net capital expenditure in the SOPS.

Lottery Income

With HM Treasury agreement and in line with the Supplementary Estimate, the SOPS do not include lottery income. The government's hypothecated income from the National Lottery is reported separately in the National Lottery Distribution Fund and is not included in budgets. Consequently, non-voted lottery expenditure is stated gross of lottery income in the SOPS.

Alignment of Income and Expenditure

Timing differences between income and expenditure (and the associated receivable and payable) in the accounts of DCMS ALBs (notably between the Lottery Distributing Bodies and the recipients of lottery grants) can, and do, arise. Where these arise, to avoid income and expenditure being overstated, an adjustment is made to expenditure (and the associated payable) in the DCMS Group accounts.

Statement of Outturn against Parliamentary Supply

Summary of Resource and Capital Outturn 2024-25

Type of spend	SOPS Note	2024-25			2024-25			2024-25		2024-25
		Outturn			Estimate			Outturn vs Estimate, saving/ (excess)		Outturn
		Voted	Non-voted	Total	Voted	Non-voted	Total	Voted	Total	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Departmental Expenditure Limit (DEL)										
Resource	SOPS 1.1	1,669,599	-	1,669,599	1,825,779	-	1,825,779	156,180	156,180	1,692,314
Capital	SOPS 1.2	526,226	-	526,226	726,124	-	726,124	199,898	199,898	530,259
Total DEL Budget		2,195,825	-	2,195,825	2,551,903	-	2,551,903	356,078	356,078	2,222,573
Annually Managed Expenditure (AME)										
Resource	SOPS 1.1	3,817,836	1,152,620	4,970,456	4,605,786	1,371,575	5,977,361	787,950	1,006,905	4,794,291
Capital	SOPS 1.2	154,856	318,900	473,756	779,707	423,648	1,203,355	624,851	729,599	881,817
Total AME Budget		3,972,692	1,471,520	5,444,212	5,385,493	1,795,223	7,180,716	1,412,801	1,736,504	5,676,108
Total Budget										
Resource	SOPS 1.1	5,487,435	1,152,620	6,640,055	6,431,565	1,371,575	7,803,140	944,130	1,163,085	6,486,605
Capital	SOPS 1.2	681,082	318,900	999,982	1,505,831	423,648	1,929,479	824,749	929,497	1,412,076
Total Budget Expenditure		6,168,517	1,471,520	7,640,037	7,937,396	1,795,223	9,732,619	1,768,879	2,092,582	7,898,681
Total Budget and Non-Budget		6,168,517	1,471,520	7,640,037	7,937,396	1,795,223	9,732,619	1,768,879	2,092,582	7,898,681
Total Resource	SOPS 1.1	5,487,435	1,152,620	6,640,055	6,431,565	1,371,575	7,803,140	944,130	1,163,085	6,486,605
Total Capital	SOPS 1.2	681,082	318,900	999,982	1,505,831	423,648	1,929,479	824,749	929,497	1,412,076
Total		6,168,517	1,471,520	7,640,037	7,937,396	1,795,223	9,732,619	1,768,879	2,092,582	7,898,681

Figures in the areas outlined in thick line cover the voted control limits voted by Parliament. Refer to the Supply Estimates guidance manual, available on www.gov.uk, for detail on the control limits voted by Parliament.

Net Cash Requirement 2024-25

Item	SOPS Note	2024-25	2024-25	2024-25	2023-24
		Outturn	Estimate	Outturn vs Estimate, saving/(excess)	Outturn
		£'000	£'000	£'000	£'000
Net Cash Requirement	SOPS 3	5,935,499	6,216,046	280,547	5,721,369

Administration Costs 2024-25

Type of spend	SOPS Note	2024-25	2024-25	2024-25	2023-24
		Outturn	Estimate	Outturn vs Estimate, saving/(excess)	Outturn
		£'000	£'000	£'000	£'000
Administration costs	SOPS 1.1	203,321	229,191	25,870	194,010

Although not a separate voted limit, any breach of the administration budget will also result in an excess vote.

An analysis of variances between the Estimate and the Outturn is given in SOPS 1 and explanations are provided in the SOPS commentary on pages 106-109.

SOPS 1. Net Outturn

SOPS 1.1 Analysis of net resource outturn by Estimate line

Type of spend (Resource)		2024-25							2024-25			2024-25	2023-24
		Resource outturn							Estimate			Outturn vs Estimate, saving/ (excess)	Outturn
		Administration			Programme			Total	Total	Virements	Total inc. virements		Total
		Gross	Income	Net	Gross	Income	Net						
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Spending in Departmental Expenditure Limit (DEL)													
Voted expenditure													
A	Support for the Museums and Galleries sector	-	-	-	27,974	-	27,974	27,974	42,071	-	42,071	14,097	32,349
B	Museums and Galleries sponsored ALBs (net)	-	-	-	437,183	-	437,183	437,183	501,640	-	501,640	64,457	419,384
C	Libraries sponsored ALBs (net)	6,889	-	6,889	69,274	-	69,274	76,163	132,256	-	132,256	56,093	127,565
D	Support for the Arts sector	-	(1,568)	(1,568)	8,038	(100,275)	(92,237)	(93,805)	(89,247)	(4,558)	(93,805)	-	(100,856)
E	Arts and culture ALBs (net)	21,506	-	21,506	474,744	-	474,744	496,250	491,613	4,637	496,250	-	485,000
F	Support for the Sports sector	-	-	-	79,576	(12,729)	66,847	66,847	70,656	-	70,656	3,809	(8,529)
G	Sport sponsored ALBs (net)	15,882	-	15,882	163,070	-	163,070	178,952	180,175	-	180,175	1,223	189,366
H	Ceremonial and support for the Heritage sector	981	(38)	943	111,920	(50,494)	61,426	62,369	53,579	8,790	62,369	-	96,988
I	Heritage sponsored ALBs (net)	17,968	-	17,968	61,997	-	61,997	79,965	80,848	-	80,848	883	87,722
J	Support for the Tourism sector	-	-	-	1,662	-	1,662	1,662	1,093	569	1,662	-	-
K	Tourism sponsored ALBs (net)	29,743	-	29,743	19,893	-	19,893	49,636	52,372	-	52,372	2,736	50,587
L	Support for the Digital, Broadcasting and Media sectors	-	(40)	(40)	15,938	(960)	14,978	14,938	16,096	-	16,096	1,158	13,984
M	Broadcasting and Media sponsored ALBs (net)	-	-	-	37,897	-	37,897	37,897	36,418	1,479	37,897	-	28,627
N	Administration and Research	111,589	(4,850)	106,739	4,366	-	4,366	111,105	125,518	(10,917)	114,601	3,496	94,381

SOPS 1.1 Analysis of net resource outturn by Estimate line (continued)

Type of spend (Resource)		2024-25							2024-25			2024-25	2023-24
		Resource outturn							Estimate			Outturn vs Estimate, saving/ (excess)	Outturn
		Administration			Programme			Total	Total	Virements	Total inc. virements		Total
		Gross	Income	Net	Gross	Income	Net						
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
O	Support for Horseracing and the Gambling sector	-	-	-	-	(28,782)	(28,782)	(28,782)	(25,268)	(1,815)	(27,083)	1,699	(14,440)
\$	Olympics - legacy programmes	-	-	-	-	-	-	-	-	-	-	-	(10)
P	Gambling Commission(net)	-	-	-	32,320	-	32,320	32,320	30,505	1,815	32,320	-	13,670
Q	Civil Society and Youth	-	-	-	69,427	(611)	68,816	68,816	72,911	-	72,911	4,095	129,522
R	National Citizen Service (net)	5,259	-	5,259	44,850	-	44,850	50,109	52,543	-	52,543	2,434	47,004
Total voted DEL		209,817	(6,496)	203,321	1,660,129	(193,851)	1,466,278	1,669,599	1,825,779	-	1,825,779	156,180	1,692,314
	Spectrum management receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total spending in DEL		209,817	(6,496)	203,321	1,660,129	(193,851)	1,466,278	1,669,599	1,825,779	-	1,825,779	156,180	1,692,314
Spending in Annually Managed Expenditure (AME)													
Voted expenditure													
S	British Broadcasting Corporation(net)	-	-	-	3,699,116	-	3,699,116	3,699,116	4,484,142	(88,258)	4,395,884	696,768	3,471,162
T	Channel Four Television	-	-	-	-	-	-	-	-	-	-	-	-
U	Provisions, Impairments and other AME spend	-	-	-	(600)	-	(600)	(600)	56,952	-	56,952	57,552	(2,150)
V	Levy bodies	-	-	-	(13,875)	-	(13,875)	(13,875)	3,601	-	3,601	17,476	(12,861)
W	S4C (net)	-	-	-	89,759	-	89,759	89,759	1,501	88,258	89,759	-	94,580
X	Provisions, Impairments and other AME spend (ALB) (net)	-	-	-	43,436	-	43,436	43,436	59,590	-	59,590	16,154	51,711
Total voted AME		-	-	-	3,817,836	-	3,817,836	3,817,836	4,605,786	-	4,605,786	787,950	3,602,442
Non-voted expenditure													
Y	Lottery grants	-	-	-	1,152,620	-	1,152,620	1,152,620	1,371,575	-	1,371,575	218,955	1,191,849
Total spending in AME		-	-	-	4,970,456	-	4,970,456	4,970,456	5,977,361	-	5,977,361	1,006,905	4,794,291
Total resource		209,817	(6,496)	203,321	6,630,585	(193,851)	6,436,734	6,640,055	7,803,140	-	7,803,140	1,163,085	6,486,605

Explanations of the variances between the Outturn and Estimate are included in the SOPS commentary on pages 106-109.

SOPS 1.2 Analysis of net capital outturn by Estimate line

Type of spend (Capital)		2024-25			2024-25			2024-25	2023-24
		Outturn			Estimate				Outturn
		Gross	Income	Net	Total	Virements	Total inc. virements	Outturn vs Estimate, saving/ (excess)	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Spending in Departmental Expenditure Limit (DEL)									
Voted expenditure									
A	Support for the Museums and Galleries sector	343	-	343	343	-	343	-	2,217
B	Museums and Galleries sponsored ALBs (net)	197,048	-	197,048	264,801	-	264,801	67,753	181,121
C	Libraries sponsored ALBs (net)	(73,602)	-	(73,602)	37,455	-	37,455	111,057	28,248
D	Support for the Arts sector	(4,150)	(32,507)	(36,657)	(30,949)	-	(30,949)	5,708	(5,887)
E	Arts and culture ALBs (net)	86,554	-	86,554	88,765	-	88,765	2,211	65,948
F	Support for the Sports sector	11,640	-	11,640	12,250	-	12,250	610	5,180
G	Sport sponsored ALBs (net)	125,743	-	125,743	123,941	1,802	125,743	-	144,861
H	Ceremonial and support for the Heritage sector	866	-	866	917	-	917	51	1,061
I	Heritage sponsored ALBs (net)	33,043	-	33,043	33,337	-	33,337	294	69,855
K	Tourism sponsored ALBs (net)	2,912	-	2,912	3,046	-	3,046	134	2,469
L	Support for the Digital, Broadcasting and Media sectors	9,495	-	9,495	9,765	-	9,765	270	3,552
M	Broadcasting and Media sponsored ALBs (net)	7,237	-	7,237	7,326	-	7,326	89	2,232
N	Administration and Research	3,717	-	3,717	6,523	(1,811)	4,712	995	(14,546)
\$	Olympics - legacy programmes	-	-	-	-	-	-	-	332
P	Gambling Commission(net)	536	-	536	618	-	618	82	529
Q	Civil Society and Youth	157,342	-	157,342	167,986	-	167,986	10,644	43,087
R	National Citizen Service (net)	9	-	9	-	9	9	-	-
	<i>Total voted</i>	558,733	(32,507)	526,226	726,124	-	726,124	199,898	530,259
Total spending in DEL		558,733	(32,507)	526,226	726,124	-	726,124	199,898	530,259
Spending in Annually Managed Expenditure (AME)									
Voted expenditure									
S	British Broadcasting Corporation (net)	191,126	-	191,126	663,395	(1,255)	662,140	471,014	458,486
T	Channel Four Television	(37,525)	-	(37,525)	116,312	-	116,312	153,837	39,129
U	Provisions, Impairments and other AME spend	-	-	-	(240)	240	-	-	-
V	Levy bodies	983	-	983	-	983	983	-	(571)
W	S4C (net)	264	-	264	240	24	264	-	22
X	Provisions, Impairments and other AME spend (ALB) (net)	8	-	8	-	8	8	-	-
	Total voted AME	154,856	-	154,856	779,707	-	779,707	624,851	497,066
Non-voted expenditure									
Y	Lottery grants	318,900	-	318,900	423,648	-	423,648	104,748	384,751
Total spending in AME		473,756	-	473,756	1,203,355	-	1,203,355	729,599	881,817
Total capital		1,032,489	(32,507)	999,982	1,929,479	-	1,929,479	929,497	1,412,076

Explanations of the variances between the Outturn and Estimate are included in the SOPS Commentary on pages106-109.

The total Estimate columns include virements. Virements are the reallocation of provision in the Estimates that do not require Parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements is provided in the Supply Estimates Manual, available on [gov.uk](https://www.gov.uk).

The Outturn vs Estimate column is based on the total including virements. The estimate total before virements have been made is included so that users can tie the estimate back to the Supply Estimates laid before Parliament.

SOPS 2. Reconciliation of Outturn to Net Expenditure

Item	Reference	2024-25 Outturn Total	2023-24 Outturn Total
		£'000	£'000
Total resource outturn	SOPS 1.1	6,640,055	6,486,605
Add:			
Capital grants expenditure	4.2	725,457	699,500
Research & development (capital)		46,170	50,107
Total:		771,627	749,607
Less:			
Income from National Lottery Distribution Fund (NLDF)	5.2	(1,759,528)	(1,692,316)
Charity income (asset donations or cash donations for asset additions)		(1,013,285)	(290,827)
Capital grants income	5.2	(69,602)	(46,423)
Research & development income (capital)		(9,073)	(14,782)
Total:		(2,851,488)	(2,044,348)
Other:			
Impact of intra-group transactions crossing budget categories		2,559	4,226
Net expenditure in Consolidated Statement of Comprehensive Net Expenditure	SoCNE	4,562,753	5,196,090

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. Therefore, this reconciliation bridges the resource outturn to net operating expenditure, linking the SOPS to the financial statements.

SOPS 3. Reconciliation of Net Resource Outturn to Net Cash Requirement

Item	Reference	Outturn Total £'000	Estimate £'000	Outturn vs Estimate, saving/ (excess) £'000
Resource outturn	SOPS 1.1	6,640,055	7,803,140	1,163,085
Capital outturn	SOPS 1.2	999,982	1,929,479	929,497
<i>Adjustments for ALBs:</i>				
Remove voted resource and capital		(5,791,247)	(7,325,327)	(1,534,080)
Cash grant-in-aid	4.1.1	5,583,881	5,751,681	167,800
Adjustments to remove non-cash items:				
<i>Depreciation, amortisation and expected credit loss adjustments</i>		(145)	(63,331)	(63,186)
New provisions and adjustments to previous provisions	4.5	-	(4,546)	(4,546)
Departmental unallocated provision	SOPS 1.1	-		-
Supported capital expenditure (revenue)	SOPS 1.1	-		-
Prior period adjustments	SOPS 1.1			-
Other non-cash items		(6,979)	(112,263)	(105,284)
Museum loans		4,826		(4,826)
<i>Adjustments to reflect movements in working balances:</i>				
Increase/(decrease) in receivables		(90,930)	-	90,930
(Increase)/decrease in payables		64,354	32,436	(31,918)
(Increase)/decrease in lease liabilities		3,222	-	(3,222)
Total:		(233,018)	(1,721,350)	(1,488,332)
Removal of non-voted budget items:				
Other adjustments - lottery grants		(1,471,520)	(1,795,223)	(323,703)
Total:		(1,471,520)	(1,795,223)	(323,703)
Net cash requirement		5,935,499	6,216,046	280,547

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. Therefore, this reconciliation bridges the resource and capital outturn to the net cash requirement.

SOPS 4. Income payable to the Consolidated Fund

SOPS 4.1 Analysis of income payable to the Consolidated Fund

In addition to income retained by the department, the following income is payable to the Consolidated Fund:

Item	Outturn 2024-25		Outturn 2023-24	
	Accruals	Cash basis	Accruals	Cash basis
	£'000	£'000	£'000	£'000
Amounts to be collected on behalf of the Consolidated Fund				
- 2023-24 income	-	-	1,095	1,095
- 2024-25 income	30	30		
Total amount payable to the Consolidated Fund	30	30	1,095	1,095

SOPS 4.2 Consolidated Fund Income

Consolidated Fund income shown in note SOPS 4.1 above does not include any amounts collected by the department where it was acting as agent for the Consolidated Fund rather than as principal. The amounts collected as agent for the Consolidated Fund (which are otherwise excluded from these group financial statements) were:

	2024-25	2023-24
	£'000	£'000
Taxes and licence fees		
Sports Grounds Safety Authority licences	1,744	9
Sub-total: Taxes and licence fees	1,744	9
Fines and penalties		
Gambling Commission penalties issued	835	6,931
Sub-total: Fines and penalties	835	6,931
Less:		
Impairment of debts - Gambling Commission penalties	(2,136)	(2,309)
Other		
Machinery of Government cash	43,897	-
S4C - HM Treasury loan	2,320	4,562
Gambling Commission - Economic Crime Levy	(2,404)	2,404
Amount payable to the Consolidated Fund	44,256	11,597
Balance held at start of year	6,777	14,559
Payments into the Consolidated Fund	(48,036)	(19,379)
Balance held on trust at end of year	2,997	6,777

The main income streams collected as agent are:

Licence Fees

- **Sports Grounds Safety Authority (SGSA)** - annual licence fees for the certification of football grounds.

Penalties

- **Gambling Commission penalties issued under the Gambling Act** - these fines have been imposed on online gambling businesses for failing to put in place effective safeguards to prevent money-laundering and keep consumers safe from gambling-related harm.

Other

- **Machinery of Government cash** - As part of the February 2023 Machinery of Government (MoG) change, while the newly formed Department for Science, Innovation and Technology were preparing their first set of accounts in 2023-24 they identified a cash balance they believe belonged to DCMS. As this related directly to the MoG and directorates no longer part of DCMS, this was CFER'd directly back to HMT.
- **S4C** – Loan from HM Treasury – this loan was for S4C's relocation project and was granted by HM Treasury in January 2017. Repayments had been made by reductions in Grant-in-Aid from DCMS. S4C is now funded by BBC licence fee income and since then there has not been a repayment mechanism in place. S4C are repaying the loan in line with the original agreement, the final instalment will be in 2029-30.

The balance held on trust of £3m at the end of 31 March 2025 relates to the loan receivable from S4C and fines and penalties from the Gambling Commission

Statement of Outturn against Parliamentary Supply Commentary 2024-25

Type of spend (Resource)		2024-25	2024-25	2024-25
		Resource outturn	Estimate	
		Total	Total inc. virements	Outturn vs Estimate, saving/ (excess)
		£'000	£'000	£'000
Spending in Departmental Expenditure Limit (DEL)				
Voted expenditure				
A	Support for the Museums and Galleries sector	27,974	42,071	14,097
B	Museums and Galleries sponsored ALBs (net)	437,183	501,640	64,457
C	Libraries sponsored ALBs (net)	76,163	132,256	56,093
D	Support for the Arts sector	(93,805)	(93,805)	-
E	Arts and culture ALBs (net)	496,250	496,250	-
F	Support for the Sports sector	66,847	70,656	3,809
G	Sport sponsored ALBs (net)	178,952	180,175	1,223
H	Ceremonial and support for the Heritage sector	62,369	62,369	-
I	Heritage sponsored ALBs (net)	79,965	80,848	883
J	Support for the Tourism sector	1,662	1,662	-
K	Tourism sponsored ALBs (net)	49,636	52,372	2,736
L	Support for the Digital, Broadcasting and Media sectors	14,938	16,096	1,158
M	Broadcasting and Media sponsored ALBs (net)	37,897	37,897	-
N	Administration and Research	111,105	114,601	3,496
O	Support for Horseracing and the Gambling sector	(28,782)	(27,083)	1,699
\$	Olympics - legacy programmes	-	-	-
P	Gambling Commission(net)	32,320	32,320	-
Q	Civil Society and Youth	68,816	72,911	4,095
R	National Citizen Service (net)	50,109	52,543	2,434
Total spending in DEL		1,669,599	1,825,779	156,180
Spending in Annually Managed Expenditure (AME)				
Voted expenditure				
S	British Broadcasting Corporation(net)	3,699,116	4,395,884	696,768
T	Channel Four Television	-	-	-
U	Provisions, Impairments and other AME spend	(600)	56,952	57,552
V	Levy bodies	(13,875)	3,601	17,476
W	S4C (net)	89,759	89,759	-
X	Provisions, Impairments and other AME spend (ALB) (net)	43,436	59,590	16,154
	Total voted AME	3,817,836	4,605,786	787,950
Non-voted expenditure				
Y	Lottery grants	1,152,620	1,371,575	218,955
Total spending in AME		4,970,456	5,977,361	1,006,905
Total resource		6,640,055	7,803,140	1,163,085

Type of spend (Capital)		2024-25	2024-25	2024-25
		Resource outturn	Estimate	
		Total	Total inc. virements	Outturn vs Estimate, saving/ (excess)
		£'000	£'000	£'000
Spending in Departmental Expenditure Limit (DEL)				
Voted expenditure				
A	Support for the Museums and Galleries sector	343	343	-
B	Museums and Galleries sponsored ALBs (net)	197,048	264,801	67,753
C	Libraries sponsored ALBs (net)	(73,602)	37,455	111,057
D	Support for the Arts sector	(36,657)	(30,949)	5,708
E	Arts and culture ALBs (net)	86,554	88,765	2,211
F	Support for the Sports sector	11,640	12,250	610
G	Sport sponsored ALBs (net)	125,743	125,743	-
H	Ceremonial and support for the Heritage sector	866	917	51
I	Heritage sponsored ALBs (net)	33,043	33,337	294
K	Tourism sponsored ALBs (net)	2,912	3,046	134
L	Support for the Digital, Broadcasting and Media sectors	9,495	9,765	270
M	Broadcasting and Media sponsored ALBs (net)	7,237	7,326	89
N	Administration and Research	3,717	4,712	995
P	Gambling Commission(net)	536	618	82
Q	Civil Society and Youth	157,342	167,986	10,644
R	National Citizen Service (net)	9	9	-
Total spending in DEL		526,226	726,124	199,898
Spending in Annually Managed Expenditure (AME)				
Voted expenditure				
S	British Broadcasting Corporation (net)	191,126	662,140	471,014
T	Channel Four Television	(37,525)	116,312	153,837
U	Provisions, Impairments and other AME spend	-	-	-
V	Levy bodies	983	983	-
W	S4C (net)	264	264	-
X	Provisions, Impairments and other AME spend (ALB) (net)	8	8	-
Total voted AME		154,856	779,707	624,851
Non-voted expenditure				
Y	Lottery grants	318,900	423,648	104,748
Total spending in AME		473,756	1,203,355	729,599
Total capital		999,982	1,929,479	929,497

DCMS sponsors a large and diverse group of arm's length bodies, working under a variety of different accounting frameworks and with a wide range of budgetary complexities. A large proportion of the department's funding is ring-fenced or influenced by external factors e.g. philanthropy, which makes financial risk management particularly challenging.

The commentary that follows relates to the key features of the outturn position as reported in the SOPS and the supporting analysis within SOPS notes 1.1 and 1.2, and describes the position before virements (allowed budgetary transfers) are applied.

Resource DEL

The voted resource DEL outturn position as reported in these Accounts is £1,669.6m which is £156.2m, or 8.6% lower than provided in the Estimate (2023-24: £83.3m or 4.7% lower, outturn: £1,692.3m).

Museums and Galleries sponsored ALBs (net) (Line B) shows an underspend of £64.5m. Underspends within this heading are mostly driven by:

- Unutilised non-cash budget cover provided through the Supplementary Estimates for Museums and Galleries to spend historical cash reserves under the 'Freedoms' arrangements agreed with HM Treasury;
- Higher than expected income driven by improved visitor numbers towards the end of the year above forecasts.

Libraries sponsored ALBs (net) (Line C) shows an underspend of £56.0m. This is mostly driven by a £47.6m profit on disposal of the British Library St Pancras lease and a £6.6m budgeting adjustment for Boston Spa Building provisions.

Capital DEL

The voted capital DEL outturn as reported in these Accounts is £526.2m which is £199.9m, or 27.5% lower than provided in the Estimate (2023-24: £73.8m or 12.2% lower, outturn: £530.0m).

Museums and Galleries sponsored ALBs (net) (Line B) shows an underspend of £67.8m. Underspends within this heading are mostly driven by:

- Unutilised non-cash budget cover provided through the Supplementary Estimates for Museums and Galleries to spend historical cash reserves under the 'Freedoms' arrangements agreed with HM Treasury;
- Additional restricted donations which were received following completion of the 2024-25 Supplementary Estimate.

Libraries sponsored ALBs (net) (Line C) shows an underspend of £111.1m. This is mostly driven by a net book value lease adjustment relating to the British Library's St Pancras Transformed development which was not included in 2024-25 Supplementary Estimate.

Resource AME (Voted)

The voted Resource AME outturn as reported in these Accounts is £3,817.8m, which is £788.0m or 17.1% lower than provided in the Estimate (2023-24: £771.6m or 17.6% lower, outturn: £3,602.4m). The nature of AME spend is volatile and difficult to predict. Adequate budget cover was provided at the Supplementary Estimate based on best estimates.

British Broadcasting Corporation (net) (Line S) shows a non-cash related underspend of £696.8m. The variance is driven by:

- Net additions/disposal movements coupled with movements in the valuation of financial instruments;
- Reduced expenditure plans and higher than expected income and dividends;
- Intra-group transactions between S4C and the BBC (Line W) relating to Charter payments.

Provisions, Impairments and other AME spend (Line U) shows an underspend of £57.6m which is primarily due to excess cover to manage the IFRS 16 lease impairment risk and other technical adjustments.

S4C (net) (Line W) shows a non-cash overspend of £88.3m which is mostly attributable to intra-group transactions between S4C and the BBC (Line S) relating to Charter payments.

Resource AME (Non voted)

Lottery grants (Line Y) shows an underspend of £219.0m. The nature of Lottery grant-making is variable, demand led and makes forecasting challenging, which is recognised by its classification within the AME budget..

Capital AME (Voted)

The voted capital AME outturn as reported in these Accounts is £154.9m, which is £624.9m, or 84.1% lower than provided in the Estimate (2023-24: £497.1m or 44.1% lower, outturn: £392.7m).

British Broadcasting Corporation (net) (Line S) shows a non-cash related underspend of £471.0m. The majority of this underspend relates to unused headroom on commercial borrowing limits. The budget cover request was based on the prudent estimate using the full headroom available.

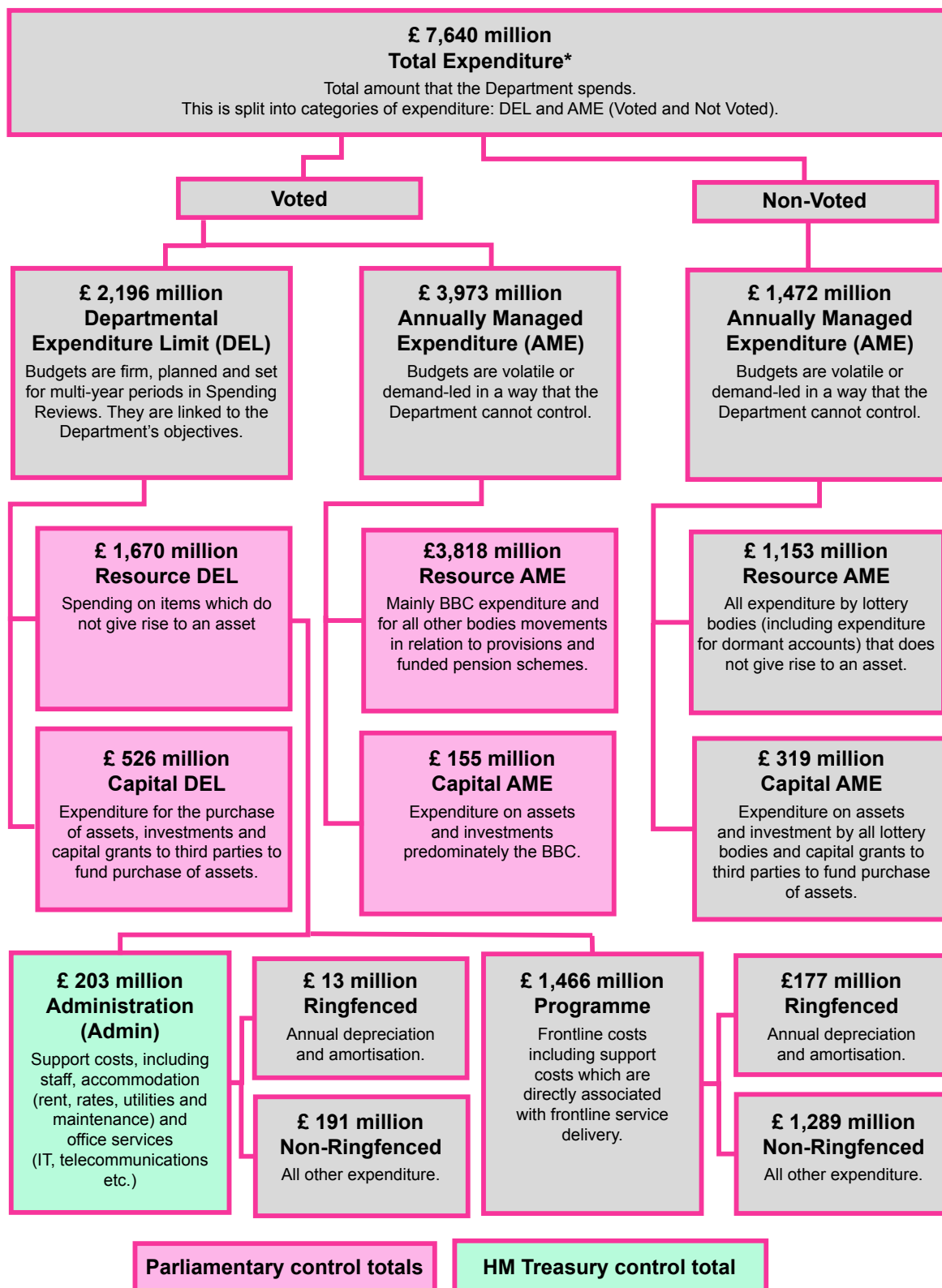
Channel Four Television (Line T) shows a non-cash related underspend of £153.8m. This is mainly due to unutilised cover for external borrowing. The budget cover request was based on the prudent estimate of Channel Four using the full headroom available.

Capital AME (Non voted)

Lottery grants (Line Y) shows an underspend of £104.7m. The nature of Lottery grant-making is variable, demand led and makes forecasting challenging, which is recognised by its classification within the AME budget.

Financial Review

Each year Parliament approves the total funds available to the Department to spend against specific objectives (within agreed budgetary limits). It is against these limits that the Department, as guided by HM Treasury's spending control framework, is held accountable for its performance and the use of taxpayers' funds. The diagram below explains the different budgets managed by the Department, their purpose and the outturn:



* Figures rounded to nearest £m so may not round to SOPS table exactly.

Trends in Total Expenditure over the last six years

The table below shows the department's outturn by budget type for current and prior years:

Type of spend	2019-20 outturn £m*	2020-21 outturn £m*	2021-22 outturn £m*	2022-23 outturn £m*	2023-24 outturn £m*	2024-25 outturn £m*
Voted DEL						
Resource DEL Admin	215	220	225	283	194	203
Resource DEL Programme	1,475	2,892 ¹	1,769 ¹	1,859	1,498	1,467
Capital DEL	551	936 ¹	654 ¹	596	530	526
Total Voted DEL	2,241	4,048	2,648	2,738	2,222	2,196
Non-Voted Resource DEL Admin	-	-	-	-	-	-
Total Voted and Non-Voted DEL	2,241	4,048	2,648	2,738	2,222	2,196
Voted AME						
Resource AME	4,184 ²	3,655	3,643	3,837	3,603	3,818
Capital AME	1,017 ²	57	69	262	497	155
Total Voted AME	5,201	3,712	3,712	4,099	4,100	3,973
Non-Voted AME						
Resource AME	1,111	1,098	1,618 ³	1,427	1,192	1,152
Capital AME	309	220	189	221	385	319
Total Non-Voted AME	1,420	1,318	1,807	1,648	1,577	1,471
Total Voted and Non-Voted AME	6,621	5,030	5,519	5,747	5,677	5,444
Total Expenditure⁴	8,862	9,078	8,167	8,485	7,899	7,640

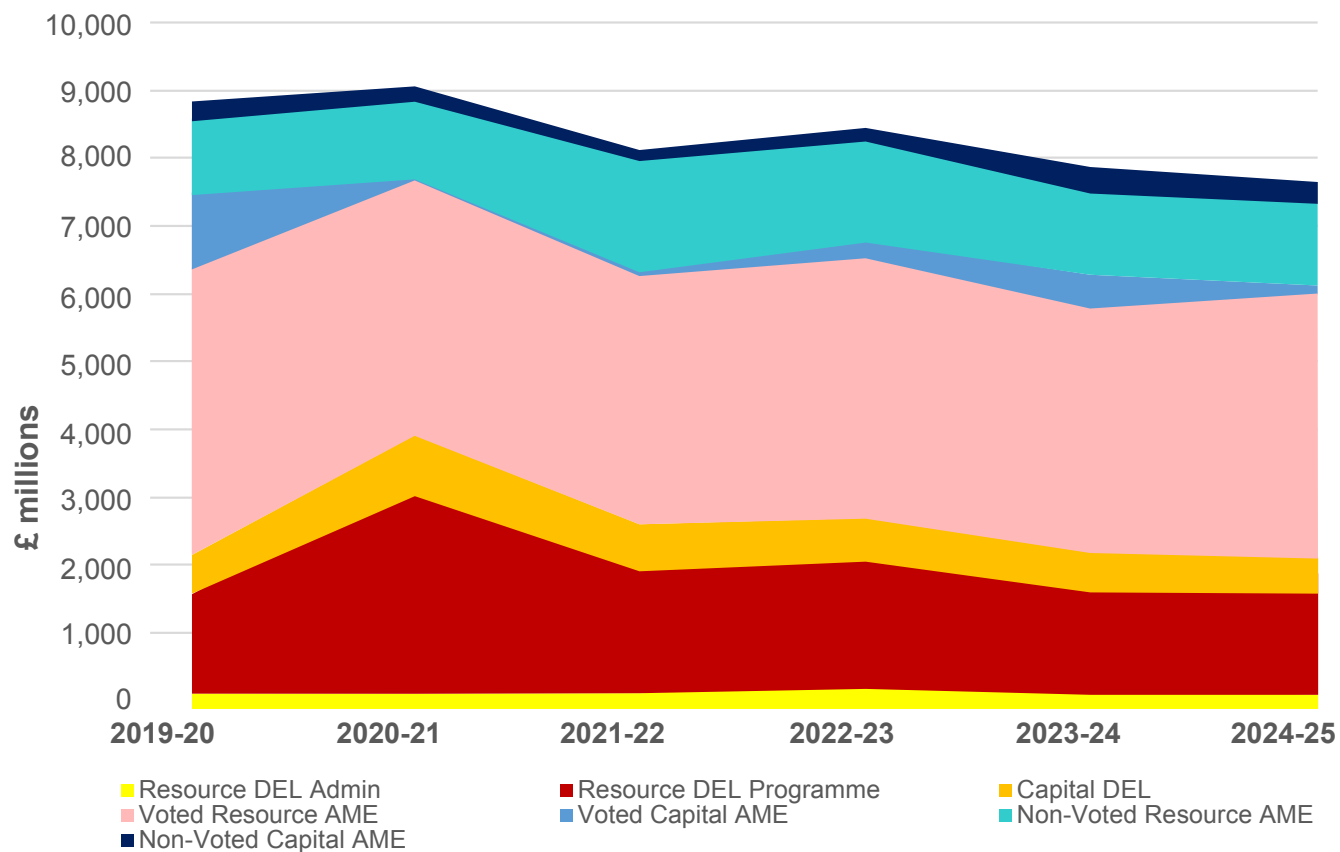
* Figures rounded to nearest £m so may not round to SOPS table exactly.

The data from 2022-23 and earlier years were not restated to reflect the changes to the data boundaries introduced in 2023-24.

Notes:

1. The increase in Resource and Capital DEL in 2020-21 is largely attributable to the COVID-19 support packages issued (loans and grants). These payments reduced in 2021-22.
2. The increase in Resource and Capital AME is largely attributable to the implementation of IFRS 16 (BBC being a major component).
3. The nature of Lottery grant making is demand led resulting in fluctuations in Resource AME.
4. All figures are presented as reported in the Statement of Outturn against Parliamentary Supply in those years' accounts. They have not been adjusted for any restatements arising from non-budgetary prior period adjustments.

Total Voted and Non-Voted Expenditure by budget type:



STATEMENT OF FINANCIAL POSITION COMMENTARY

DCMS Group Statement of Financial Position: Assets

The table below shows material asset classes included in the Statement of Financial Position.

Statement of Financial Position	31 March 2023 £'000	31 March 2024 £'000	31 March 2025 £'000	2021-23 % of assets	2022-24 % of assets	2022-25 % of assets
Assets						
Property, plant and equipment*	6,736,453	7,129,960	7,235,844	38%	37%	36%
Right of use assets	1,230,813	1,222,982	1,245,890	7%	6%	6%
Heritage assets	1,621,263	1,851,679	2,818,709	9%	9%	13%
Non-current and current receivables	1,210,717	1,415,532	1,382,602	7%	7%	7%
Intangible Assets	71,569	69,558	69,686	0%	0%	0%
Inventories	245,062	224,313	327,486	1%	1%	1%
Cash and cash equivalents	2,838,266	2,914,718	3,043,277	16%	15%	15%
Other assets*	3,752,621	4,764,621	4,334,316	21%	25%	22%
Total assets	17,706,764	19,593,363	20,457,810	100%	100%	100%

*these percentages have been rounded so totals cast

1. Property, plant and equipment (PPE) – Note 6

The net book value of PPE has increased by £106m since the prior year. Buildings account for 54% (31 March 2024: 56%) of the Departments PPE asset base and has decreased by £36m in the year, primarily due to the effect of disposals totalling £36m. This is offset by transfers and revaluations.

Of the total PPE, the museums and galleries hold £5,427m (31 March 2024: £5,271m) whilst the British Library's holding is £1,043m (31 March 2024: £1,016m) and the BBC's holding is £374m (31 March 2024: £485m).

2. Right of use assets (ROU assets) – Note 7

The net book value of this balance has decreased by £23m during the year. This was mainly arising from additions of buildings by £27m.

Of the total ROU assets, the BBC's holding is £905m (31 March 2024: £881m) whilst the museums and galleries hold £260m (31 March 2024: £255m).

3. Heritage assets – Note 8

The net book value of heritage assets has increased by £967m over the previous year, arising mainly from additions of £17m (of which, National Gallery £7m) and donations of £948m of which, £915m are donations received at the British Museum disclosed in note 8.1.5.

The majority of heritage assets are not depreciated as the length of their expected useful economic life is considered close to infinite. As a result, the expectation is that the value of DCMS' holding of heritage assets will continue to increase year on year.

In addition to the museums and galleries holding of £2,655m (31 March 2024: £1,690m) heritage assets are also held by DCMS core department, Arts Council England, the British Library and Historic England.

4. Non-current and current receivables – Note 13

Total receivables have decreased by £33m over the previous year. The main drivers for movements in the year are: British Library other receivables falling due after one year which increased by £137m, this is in relation to a lease receivable being recognised for a lease granted on the St Pancras site; the core department accrued income which decreased by £53m, this is as a result of The Royal Parks barter fee being paid within the year; BBC other receivables falling due within one year which decreased by £49m due to the prior year including amounts due from the Rights Archive settlement which were received in year. DCMS core trade receivables which decreased by £41m, largely due to a reduction in receivables due from other government departments and various other movements across the ALBs and the core department.

Of the total trade and other receivables balance £873m (31 March 2024: £989m) relates to the BBC.

5. Intangible assets – Note 9

The intangible asset balance remained consistent at £70m (31 March 2024: £70m) 70% of the intangible asset base relates to the BBC.

6. Inventories – Note 12

The BBC holds 91% of the group's inventories, valued at £299m (31 March 2024: £199m). This relates to programmes that either are in production or have not been aired yet.

7. Cash and cash equivalents – Note 14

£1,741m of the group's cash balance (31 March 2024: £1,663m) was held by Lottery Distributing Bodies in the National Lottery Distribution Fund and as such only available to fund lottery grants (see payables below).

Of the remaining balance, £421m relates to the BBC, £160m to the museum and galleries and £108m relates to the DCMS core department.

8. Other assets - Note 11

The BBC holds the majority of the Group's other assets. This primarily relates to the BBC's investments in subsidiaries of £2,302m which decreased by £400m during the year, due to revaluations. The BBC's derivative balance of £311m (31 March 2024: £344m) primarily relates to the refinancing of London Broadcasting House. There are also other loans held by the BBC to its subsidiaries; the loans outstanding vary based on the borrowing requirements of public corporations.

The BBC had loans outstanding to its trading subsidiaries as at 31 March 2025 of £673m (31 March 2024: £687m).

Also included in this balance are the loan book of the Cultural Recovery Fund, Sport Survival Package and Rugby Football League emergency loans arising from COVID-19 support, held in DCMS core department. The outstanding loan amount as at 31 March 2025 was £327m (31 March 2024: £348m).

DCMS Group Statement of Financial Position: Liabilities

The table below shows material liability classes included in the Statement of Financial Position.-

Statement of Financial Position	31 March 2023 £'000	31 March 2024 £'000	31 March 2025 £'000	31 March 2023 restated % of liabilities	31 March 2024 % of liabilities	31 March 2025 % of liabilities
Liabilities						
Non-current and current payables*	4,219,895	4,664,818	4,435,186	69%	65%	74%
Provisions	256,937	173,442	205,287	4%	2%	3%
Lease Liabilities	1,889,040	1,828,450	1,804,292	31%	25%	30%
Pensions	(710,345)	93,541	(907,343)	(12%)	1%	(15%)
Other liabilities	494,632	492,168	473,659	8%	7%	8%
Total liabilities	6,150,159	7,252,419	6,011,081	100%	100%	100%

* these percentages have been rounded so totals cast

9. Non-current and current payables – Note 15

Total trade and other payables decreased by £230m, of which £79m is a decrease in bank and other borrowing falling due after more than one year at the BBC from £520m to £441m. Accruals and deferred income decreased by £64m for the core department to £61m from £125m, primarily due to Royal Barter Fee being settled within the year.

The Lottery Distributing Bodies' grants payable are used to fund projects that may take several years to complete. Of the total current grant payables, £1,177m (31 March 2024: £1,226m) relates to the Lottery Distributing Bodies (LDBs), whilst these same bodies' share of non-current grant payables is £1,199m (31 March 2024: £1,272m). Current payables of LDBs are covered by their cash holdings (see point 7 above).

10. Provisions – Note 16

The provisions balance is primarily made up of the BBC provisions. At 31 March 2025, the BBC held provisions of £178m (31 March 2024: £149m).

11. Lease liabilities – Note 17

The main components of this balance are the BBC (£1,538m; 31 March 2024: £1,565m), Victoria and Albert Museum (£118m; 31 March 2024: £118m) and the core department (£41m; 31 March 2024: £44m).

12. Pensions – Note 19

The net pension liability has moved by £1,001m from a liability of £94m at 31 March 2024 to an asset of £907m at 31 March 2025. The most significant component of this balance is the BBC funded pension scheme which at 31 March 2025 has an accounting surplus of £873m (31 March 2024: accounting deficit of £115m).

13. Other liabilities (including contract liabilities) – Note 18

The balance (£468m) relates almost entirely to the BBC's derivatives portfolio, arising from the refinancing of London Broadcasting House.

PARLIAMENTARY ACCOUNTABILITY DISCLOSURES

Regularity of expenditure (this section is subject to audit).

Losses

	Core department		Departmental group	
	Cases	Amount	Cases	Amount
	No.	£'000	No.	£'000
2024-25	3	11,452	428	14,101
2023-24	-	-	372	1,932

There were three individual losses incurred in excess of £300,000 in 2024-25 (2023-24: none) detailed below:

The core department incurred a loss of £11.3m following the dissolution of a Covid-19 Loan Book borrower.

At Sport England, costs incurred in relation to an aborted contract with a supplier involved with the Investment Processing System (IPS) project of £345,000, were written off during 2024-25 from intangible assets under construction.

In March 2025, the Competition and Markets Authority published their findings of their investigations under the Competition Act 1998 detailing infringements involving five companies in the sport production sector. The BBC admitted three infringements relating to the exchange of competitively sensitive information and received a fine of £424,165 which reflected a discount in recognition of their co-operation throughout the investigation and their decision to enter into a settlement agreement.

Special Payments

	Core department		Departmental group	
	Cases	Amount	Cases	Amount
	No.	£'000	No.	£'000
2024-25	1	30	21	185
2023-24	-	-	31	972

There were no individual special payments in excess of £300,000 for 2024-25 (2023-24: none).

Gifts

There were no gifts made by the group that were in excess of £300,000 for 2024-25 or 2023-24.

The Government Art Collection (GAC) received a pledge of a gift in 2018-19 of £500,000 from Sybil Robson Orr and Matthew Orr, which will be paid over a number of years. This is to be used to fund the 10Ten Project.

Remote contingent liabilities

Remote contingent liabilities arising through financial guarantees, indemnities and letters of comfort – Quantifiable

Details of contingent liabilities as defined by *IAS 37 Provisions, Contingent Liabilities and Contingent Assets* are included in the financial accounts (see note 21).

In addition, the department has entered into the following quantifiable guarantees or indemnities. None of these are contingent liabilities within the meaning of IAS 37 since the likelihood of a transfer of economic benefit in settlement is too remote.

Managing Public Money requires that the full potential costs of such contracts be reported to Parliament, details of these costs are reproduced in the table below.

	1 April 2024	Increase/ (Decrease) in year	Liabilities crystallised in year	Obligation expired in year	31 March 2025	Amount reported to Parliament by Departmental Minute
	£m	£m	£m	£m	£m	£m
Guarantees						
Borrowing facility for Historic Royal Palaces	4.0	-	-	-	4.0	4.0
Indemnities						
Government Indemnity Scheme	7,008.1	326.1	-	-	7,334.2	7,334.2
Artworks on loan from the Royal Collection	418.9	(36.0)	-	-	382.9	382.9
Artworks on loan to the Government Art Collection	1.7	0.9	-	-	2.6	-
Items on loan to the British Library	2.5	45.5	-	-	48.0	-
Totals	7,435.2	336.5	-	-	7,771.7	7,721.1

Guarantees

The £4m guarantee for Historic Royal Palaces (HRP) in the table above is available until 19 January 2027 and HRP will only enter into borrowing facilities at such times and within such monetary limits that the department shall agree.

Indemnities

The Government Indemnity Scheme (GIS) indemnifies lenders to museums, galleries and other institutions in the UK when mounting exhibitions or taking long-term loans for either study or display. It is a statutory liability totalling £7.3bn (31 March 2024: £7.0bn).

The change in contingent liabilities arising from these indemnity schemes is driven by the number and value of the works of art on loan and those on long term loan, which changes from year to year.

The GIS indemnities reported here exclude loans to Scottish and Welsh museums, the indemnities for which are issued in the name of the Scottish and Welsh Ministers respectively.

There are also non-statutory liabilities for indemnities granted in respect of works of art on loan from the Royal Collection totalling £382.9m (31 March 2024: £418.9m).

The Royal Undertakings reported here are to English and Northern Ireland (NI) national and non-national museums. There are no Royal loans to Scottish and Welsh non-national Museums. It excludes Royal loans to Scottish and Welsh national Museums.

There is also an indemnity scheme amounting to £2.6m for items on loan to the Government Art Collection (31 March 2024: £1.7m).

In line with normal practice in the sector, the British Library routinely indemnifies third-parties in respect of collections items which are on loan to the Library. At 31 March 2025 the items on loan were valued at £48.0m (31 March 2024: £2.5m). £48.0m is the maximum exposure in the event of all items on loan becoming damaged, the likelihood of any amounts becoming due under this indemnity is considered remote.

Unquantifiable remote contingent liabilities

The group has entered into the following unquantifiable contingent liabilities by offering guarantees, indemnities or by giving letters of comfort. None of these are a contingent liability within the meaning of IAS 37, since the likelihood of a transfer of economic benefits in settlement is too remote.

Department

Olympic Delivery Authority (ODA)

Upon dissolution of the ODA on 2 December 2014, the following contingent liability passed to DCMS. In order to facilitate the redevelopment of the Olympic Park, the ODA relocated the railway siding at Thornton's Field to Orient Way. There is a contingent liability of up to £10m for one third of the cost of constructing new railway sidings at Lea Interchange should Eurostar exercise its right from 30 June 2023 to take back the railway sidings at Orient Way which are currently leased to the Secretary of State for Transport. This liability cannot be quantified reliably and there is no certainty repossession will happen.

Jubilee Gardens

The department has given an indemnity to Arts Council England and the Southbank Centre Limited with respect to certain liabilities owed by Shirayama Shokusan Company Limited (SSCL), the owners of County Hall. This indemnity covers any costs to be incurred by SSCL in replacing Jubilee Gardens should SSCL make use of their sub-soil lease beneath the Garden to build an underground car park. SSCL requires an indemnity to cover the cost of reinstating the gardens in their new form. The cost of this is estimated at around £2m and is not time-limited. The risk of the indemnity being called upon is low as there is currently no intention to build such a car park, and the likelihood of obtaining planning permission is low. A Treasury Minute was laid on 26 April 2011 explaining the contingent liabilities in respect of the proposed development. The term of the sub-soil lease is 999 years from 1993 running to 2992 and the parties to the sub-lease could agree to extend it beyond that.

Hague Convention and Cultural Property (Armed Conflicts) Act 2017

The government has ratified the 1954 Hague Convention for the Protection of Cultural Property in the Event of Armed Conflict and accede to its two Protocols. The Cultural Property (Armed Conflicts) Act 2017 created a number of new criminal offences in domestic law to enable the UK to ratify the Convention and accede to the Protocols. The offences include a serious breach of the Second Protocol, unauthorised use of the Cultural Emblem and the offence of dealing in unlawfully exported cultural property. The department has an unquantifiable contingent liability for the additional costs related to imprisonment and legal costs incurred by the Ministry of Justice for prosecutions brought solely under this new legislation. The department also has an unquantifiable contingent liability for any costs it may be required to cover relating to compensation which may be payable to buyers of 'good faith' that forfeit any cultural property.

The Royal Parks historic liabilities

On 15 March 2017, an agreement to manage the Royal Parks was signed between The Royal Parks Limited and the Secretary of State setting out the elements transferred from The Royal Parks Agency (TRPA) and additional obligations and arrangements. Under the terms of the agreement, the core Department retains responsibility for the cost of historic liabilities of TRPA for 10 years.

Fees and Charges

There are no material fees and charges due to the department in 2024-25 (2023-24: nil) other than the levies which are included within note 5.

Signed and approved

Susannah Storey
Accounting Officer and Permanent Secretary
27 October 2025

The Certificate and Report of the Comptroller and Auditor General to the House of Commons

Opinion on financial statements

I certify that I have audited the financial statements of the Department for Culture, Media and Sport (The Department) and of its Departmental Group for the year ended 31 March 2025 under the Government Resources and Accounts Act 2000. The Departmental Group consists of the Department and the bodies designated for inclusion under the Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2024. The financial statements comprise the Department and the Departmental Group's:

- Consolidated Statement of Financial Position as at 31 March 2025;
- Consolidated Statement of Comprehensive Net Expenditure, Consolidated Statement of Cash Flows, Statement of Changes in Taxpayers' Equity and Consolidated Statement of Taxpayers Equity 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 UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Department and the Departmental Group's affairs as at 31 March 2025 and their net operating expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2025 and shows that those totals have not been exceeded; and
- 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 2024. I am independent of the Department 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.

The framework of authorities described in the table below has been considered in the context of my opinion on regularity.

The framework of authorities described in the table below has been considered in the context of my opinion on regularity.

Framework of authorities	
Authorising legislation	Government Resources and Accounts Act 2000
Parliamentary authorities	Supply and Appropriations Act
HM Treasury and related authorities	Managing Public Money

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Department 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 Department or 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 Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Department and its Group is adopted in consideration of the requirements set out in HM Treasury’s Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Overview of my audit approach

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance to the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditor, including those which had the greatest effect on: the overall audit strategy; the allocation of resources to the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of the audit of the financial statements as a whole, and in forming my opinion thereon. I do not provide a separate opinion on these matters.

This is not a complete list of all risks identified through the course of my audit but only those areas that had the greatest effect on my overall audit strategy, allocation of resources and direction of effort. I have not, for example, included information relating to the work I have performed in respect of management override of controls, or areas of aggregate significant risk to the group financial statements where the underlying audit assurances are derived from my reliance on the work of component auditors. This is a change in how I have determined key audit matters from my previous report, due to the changes made in my approach after implementation of the revised accounting standard for group audits. The full listing of significant risks and those identified as key audit matters is set out below. Significant risks are areas where my work has not identified any matters to report.

Significant risks identified:

Significant in aggregate across the Departmental Group:
• the valuation of property and right of use asset,
• consolidation process (key audit matter 1)
• the risk of management override of controls,
• the valuation of defined benefit pension balances, and
• the regularity of grant expenditure.
Significant to the group elevated from the BBC, the valuation of:
• lease liabilities,
• property and right of use land and buildings (key audit matter 2)
• public corporations (key audit matter 3)
• derivatives, and
• programme related assets.
Significant to the group elevated from the British Museum:
• the valuation of newly acquired heritage assets
Significant to the core Department and applicable to the group:
• the fair value disclosures related to financial assets (loans) held at amortised cost.
• Management override of controls

I have set out below those significant risks which I have judged to be key audit matters. The significant risks including those identified as key audit matters were discussed with the Audit and Risk Assurance Committee; their report on matters that they considered to be significant to the financial statements is set out in the Governance Statement.

Key audit matter 1: Consolidation process - Departmental Group

Description of risk

The Departmental Group financial statements consolidate financial information from the core Department and, in 2024-25, detailed in note 24, 33 Arm's Length Bodies (ALBs) and their own subgroups.

The production of the Department's Group financial statements is complex because:

- the consolidation process requires multiple levels of consolidation of ALB's within the group as some ALB's have their own sub-groups. The Department is required to consolidate only those ALB's which are within their boundary and therefore must ensure that some members of ALB's own groups, where these entities are not included within the departmental boundary, are removed from the consolidation. This exercise is complex for BBC's commercial subsidiaries and the trading companies of museums where the financial information of the sub-consolidation is removed before departmental consolidation.
- approximately half of the ALBs prepare their own financial statements under an accounting framework different than that of the Departmental group, which uses HM Treasury's Government Financial Reporting Manual; therefore, complex and material alignment adjustments are required.
- given the size and complexity of the group, there is risk that consolidation adjustments and elimination of intra-group transactions are incomplete or inaccurate.

How the scope of my audit responded to the risk

For the majority of ALB's, I obtained assurances from component auditors that the consolidated financial information from ALBs is both complete and accurate.

I assessed the design and implementation of the process and controls in respect of the Department's consolidation process. I reperformed the consolidation, to ensure the consolidated information was complete and accurate based on the underlying financial information provided by ALB's (and audited by component auditors).

My group audit team both tested, and directed component auditors to provide assurances over the intragroup eliminations, alignment adjustments and other group level journals to ensure they were appropriate, complete and accurate.

I also ensured the disclosures in the Departmental Group financial statements are complete, accurate and understandable.

Key observations

Other than that which has been noted in the key audit matter 2, I did not identify any significant misstatements as a result of the work I have performed over the consolidation process and the consolidated financial and disclosure information in the group financial statements.

I found that the process prepared and used by the department to consolidate the information of ALBs is adequate.

Key audit matter 2: valuation of property - Departmental Group

Description of risk

The valuation of the Departmental Group's owned and leasehold land and buildings as at 31 March 2025 is £6,587 million (£6,668 million 31 March 2024). Financial details of these properties held on the Departmental group's statement of financial position detailed and in notes 6 and 7.

Under the HM Treasury's Government Financial Reporting Manual, the Departmental Group financial statements recognise owned and leasehold property at its current value. As such, property used as part of the Departmental Group's operations should be valued at current value in existing use at each reporting date. The Departmental Group's accounting policy is to complete full valuations every five years, supplemented by indexation or other forms of desktop valuation in intervening years.

For the purposes of my audit, I considered that there is, in aggregate, a significant risk over the consolidation of property (including right of use assets) and related balances. Given the specialist nature of the properties (for instance historical properties and museums and galleries) significant judgement is required in the valuation of these properties. In most cases, we have relied on the audit work of component auditors to provide assurance over these balances.

In their own financial statements, the BBC recognise property at historic cost under IFRS. For the Group financial statements adjustments are required for these BBC properties to be recognised at current value in existing use (either a market value approach or depreciated replacement cost for specialised property).

I have not used the work of component auditors over the valuation of BBC properties including Land and building right of use assets. I audited the valuation of BBC properties as part of this engagement.

The large range and value of BBC owned and leased land and buildings increases the risk of material misstatement due to:

- potentially inappropriate assumptions and methodology used to value the properties, for example the estimated future rental potential;
- potentially inaccurate data used in the calculation of property valuations, for example internal floor areas;
- potential errors in the model used to calculate the value of property; and the disclosure of estimation uncertainty within property valuations not being sufficient or accurate.

How the scope of my audit responded to the risk

In my audit of the BBC's property including the right of use assets, I have

- assessed the design and implementation of controls over the valuation of property;
- directed an auditor's expert to provide an independent valuation over the property and right of use assets and confirmed (as appropriate) indexation used;
- evaluated the reasonableness and accuracy of input data; and
- reviewed accounting entries and related disclosures, including that assumptions, and as relevant the level of estimation uncertainties, in respect of the valuation have been appropriately included in the group financial statements.

For the aggregate risk associated with all other properties across the departmental group, I have relied on the work of component auditors and do not consider this work to be a key audit matter.

Key observations

In the course of completing this work, I identified a misstatement in the Department's accounting for a sale and leaseback transaction, which led to a material audit adjustment.

Key audit matter 3: valuation of BBC public corporations – Departmental Group

Description of risk

BBC Commercial Limited's direct subsidiaries have been classified by the ONS as public corporations and are not therefore members of the DCMS group. In accordance with the Government Financial Reporting Manual the public corporations are accounted for in the Departmental Group accounts as a financial asset recognised at fair value. Management estimate the fair value of their investment in these public corporations by discounting forecast cashflows to the statement of financial position date. The valuation of the 'Investment in BBC public corporations' financial asset in the Departmental Group financial statements is £2,302 million as at 31 March 2025 (£2,702 million as at 31 March 2024).

This is an area of significant risk as management are required to make significant judgements in respect of the assumptions to inform future expected cash flows, data inputted for current business and economic developments and the methodology used to calculate an estimated fair value.

How the scope of my audit responded to the risk

I undertook work designed to gain sufficient assurance that the Department's investment in BBC public corporations is fairly stated in the Departmental Group accounts. In doing so I:

- Assessed the Department's design and implementation of controls over their valuation of the BBC public corporations.
- Evaluated the appropriateness of the methodology used by management in their valuation.
- Assessed the reasonableness of key judgements and assumptions such as future cash flows and long-term growth rates of the investments made by management to estimate the BBC public corporations' future cash flows.
- Engaged an auditor's expert to support my assessment of the reasonableness of data and key assumptions used by management in their valuation. I also engaged my auditor expert to produce a valuation using their own methodology and data, which I used to compare to the Department's valuation.
- Assessed the accuracy and completeness of the disclosures made by management in relation to the valuation in the Departmental Group accounts.

Key observations

I have obtained sufficient assurance over this key audit matter through my substantive testing. I did not identify significant misstatements in the department's valuation of the BBC's public corporations as a result of the work I have performed.

Application of materiality

Materiality

I applied the concept of materiality in both planning and performing my audit, and in evaluating the effect of misstatements on my audit and on the financial statements. This approach recognises that financial statements are rarely absolutely correct, and that an audit is designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement or irregularity. A matter is material if its omission or misstatement would, in the judgement of the auditor, reasonably influence the decisions of users of the financial statements.

Based on my professional judgement, I determined overall materiality for the Department and its group's, financial statements as a whole as follows:

	Departmental Group	Department - core
Materiality	£85.5 million (2023-24 £85 million)	£58 million (2023-24 £58 million)
Basis for determining overall account materiality	1% of prior year's total operating expenditure of £8.6 billion	1% of prior year's total operating expenditure of £5.8 billion
Rationale for the benchmark applied	I have identified gross expenditure as the appropriate benchmark. As well as the BBC's broadcasting and media operations, the Departmental Group's main activities include the preservation of culture and heritage of the nation and encouraging participation in arts and sports through grant expenditure. Expenditure on performing these functions across its sectors is of relatively high interest to the users of the accounts and it is voted on by Parliament through the supply process. I also considered whether gross assets should be used as a materiality basis, particularly given the Departmental Group's focus on preserving heritage, including the land and buildings and other heritage assets included in the Departmental Group financial statements. However, many Departmental Group assets are heritage assets valued either at historic cost or nil value (by agreed accounting convention). Therefore, the asset valuations included in the Departmental Group financial statements are unlikely to reflect all of the intrinsic value users place on such assets (such as accessibility to the public) and the government's strategy for managing these assets is not primarily informed by the valuations included in the Departmental Group financial statement.	I have identified gross expenditure as the appropriate benchmark. As well as determining policy across its sectors, the main function of the core Department is to govern and oversee the delivery and outcomes of its arm's-length bodies within the Departmental Group. The Department issued £5.6 billion Grant-in-aid (GiA) in 2024-25 (£5.3 billion in 2023-24) to ALBs, which drives the activities of the rest of the Departmental Group. GiA is 89% of the core Department's operating expenditure. Expenditure on performing these functions is of most interest to the users of the accounts. I also considered gross assets as a materiality basis for the Department but, as for the Departmental group, I concluded that asset valuations included in the Department's financial statements are unlikely to reflect the full intrinsic value of the assets to the users of the accounts.

Performance Materiality

I set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality of the financial statements as a whole. Group performance materiality was set at 75% of Group materiality for the 2024-25 audit (2023-24: 65%). I have set the group performance materiality at the maximum threshold because I consider that the overall control environment is adequate in its ability to detect and prevent material misstatement. My consideration is based on observations made in respect of the department's control environment, that there is currently and historically limited and insignificant uncorrected misstatements identified in respect of the preparation of the group accounts, and the departmental group is stable.

Other Materiality Considerations

Apart from matters that are material by value (quantitative materiality), there are certain matters that are material by their very nature and would influence the decisions of users if not corrected. Such an example is any errors reported in the Related Parties note in the financial statements. Assessment of such matters needs to have regard to the nature of the misstatement and the applicable legal and reporting framework, as well as the size of the misstatement.

I applied the same concept of materiality to my audit of regularity. In planning and performing my audit work to support my opinion on regularity and in evaluating the impact of any irregular transactions, I considered both quantitative and qualitative aspects that would reasonably influence the decisions of users of the financial statements.

Error Reporting Threshold

I agreed with the Audit and Risk Assurance Committee that I would report to it all uncorrected misstatements identified through my audit in excess of £300,000, as well as differences below this threshold that in my view warranted reporting on qualitative grounds. I also report to the Audit Committee on disclosure matters that I identified when assessing the overall presentation of the financial statements.

The net effect of the unadjusted audit differences overstates the Group's assets as reported on the statement of financial position by £20.1 million. These differences have been reported to the Audit and Risk Assurance Committee.

Audit scope

The scope of my Group audit was determined by obtaining an understanding of the Department and its Group and its environment, including Group wide controls, and assessing the risks of material misstatement at the Group level.

I identified 28 components which pose a risk of material misstatement for my audit of the departmental group. The BBC and the core Department are the most significant of these components based on their relative size and risk profile.

Components I have assessed as posing risk of material misstatement to the Departmental Group

Arts Council England (ACE) Exchequer and ACE lottery	British Film Institute (BFI) and BFI Lottery
British Broadcasting Corporation (BBC)*	British Tourist Authority
British Library	Historic England*
British Museum	Horse Race Betting Levy Board
DCMS Core	Imperial War Museum
Natural History Museum*	National Gallery
Science Museum	National Heritage Memorial Fund
Tate Gallery	National Lottery Heritage Fund
Victoria and Albert Museum (V&A)	National Lottery Community Fund
Gambling Commission	National Maritime Museum
Sport England (SE)* Exchequer and SE Lottery	National Museums Liverpool
UK Sport (UKS) Exchequer* and UKS Lottery	National Portrait Gallery

*Component is a parent entity of a sub-groups whose components are consolidated into the departmental group.

I carried out a full audit of the core department as a part of my audit of the Departmental group and directly carried out the audit of the BBC's property and investments in subsidiaries (as noted as key audit matters).

For the remaining classes of transactions, balances, disclosures and regularity matters which I judged as being of material risk to the departmental group, I have performed sufficient audit work, including earning the right to and then relying on the work of component auditors to support my opinion.

The most significant classes of transactions, balances, disclosures and matters of regularity are those which I raised as significant risk to my audit and have listed in the key audit matters section of my report.

As part of the Group audit, my group audit team were involved in the key planning and continuous risk assessment for those components in which we relied on the work of their auditors. The group audit team also obtained access to all workpapers relating to the significant classes of transactions, balances, disclosures and matters of regularity that were relevant for group level assurances.

In addition, for all component auditors where we identified classes of transactions, balances, disclosures or matters of regularity required for group assurance, specific assurances were sought and received from component auditors over the completeness and accuracy of the consolidation information used by the Department to prepare the Departmental Group accounts.

This work covered substantially all of the Group's assets and net expenditure, and together with the procedures performed at group level, gave me the evidence I needed for my opinion on the group financial statements as a whole.

Other Information

The other information comprises the information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report. The Accounting Officer is 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 and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- the information given in the Performance and Accountability Reports 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 Department and its Group and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability 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 Department 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 Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is 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 Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is 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 Department 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 and are in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- assessing the Department 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 Accounting Officer anticipates that the services provided by the Department and its Group will not continue to be provided in the future.

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 Government Resources and Accounts Act 2000.

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 Department and its Group's accounting policies.
- inquired of management, internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Department 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 of fraud or non-compliance with laws and regulations including the Department and its Group's controls relating to the Department's compliance with the Government Resources and Accounts Act 2000, Managing Public Money the Supply and Appropriation Acts.
- inquired of management, internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations; and
 - they had knowledge of any actual, suspected, or alleged fraud.
- discussed with the engagement team, including relevant component audit teams, and the relevant internal and external specialists, including for property and financial instruments 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 Department and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition; posting of unusual journals; complex transactions; bias in management estimates; and the regularity of grant expenditure. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Department and Group's framework of authorities and other legal and regulatory frameworks in which the Department and 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 Department and its Group. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2024, employment law and pensions legislation 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 a direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee and legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I 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;
- I confirmed that the Department and Departmental Group has reasonable assurance that grant expenditure has, in all material respects, been used for the purposes intended by Parliament; and
- I confirmed that the Department has complied with the parliamentary control totals set out in the Supply and Appropriation (Main Estimates) Act 2024 and Supply and Appropriation (Adjustments) Act 2024 by confirming that outturn is within the limits approved by Parliament, that the allocation of amounts to those parliamentary control categories is appropriate and that management have not vired amounts inappropriately between control totals approved by Parliament.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and relevant component audit teams 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 appropriate evidence sufficient to give reasonable assurance that the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement.

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

Date: 28 October 2025

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

PRIMARY STATEMENTS

Consolidated Statement of Comprehensive Net Expenditure for the year ended 31 March 2025

	Note	2024-25		2023-24	
		Core department	Departmental group	Core department	Departmental group
		£'000	£'000	£'000	£'000
Staff costs	3	80,416	2,144,060	72,109	2,051,905
Grants and subsidies to sponsored bodies	4.1	5,583,881	705	5,298,013	1,088
Other grants	4.2	416,516	2,728,495	310,939	2,780,286
Purchase of goods and services	4.3	47,638	460,457	56,120	438,335
Depreciation, amortisation, impairment charges and expected credit loss adjustments	4.4	10,957	375,949	(24,828)	346,691
Provisions expense	4.5	-	109,665	-	46,793
Finance cost	4.6	594	52,555	789	53,166
Other operating expenditure	4.6	74,747	3,160,548	99,458	2,847,933
Total operating expenditure		6,214,749	9,032,434	5,812,600	8,566,197
Income from contracts with customers	5.1	(48,923)	(567,674)	(49,427)	(582,648)
Current grant income	5.1	(99,747)	(231,591)	(106,320)	(234,144)
Other operating income	5.2	(83,774)	(3,670,416)	(55,498)	(2,553,315)
Total operating income		(232,444)	(4,469,681)	(211,245)	(3,370,107)
Net operating expenditure		5,982,305	4,562,753	5,601,355	5,196,090
Other comprehensive net expenditure					
Items which will not be reclassified to net operating expenditure:					
Net (gain)/loss on:					
- revaluation of property, plant & equipment, intangible assets, heritage assets and right of use assets		(30,331)	(159,167)	-	(339,520)
- pension remeasurements	19.1	-	(975,353)	-	902,294
Items which may be reclassified to net operating expenditure:					
Net (gain)/loss on:					
- impairments		-	-	-	5,702
- other revaluations including financial assets through OCI		-	396,722	-	(776,761)
Total other comprehensive net expenditure		(30,331)	(737,798)	-	(208,285)
Total comprehensive expenditure for the period		5,951,974	3,824,955	5,601,355	4,987,805

All operations relate to continuing activities.

The notes on pages 140- 215 form part of these accounts

Consolidated Statement of Financial Position as at 31 March 2025

	Note	31 March 2025		31 March 2024	
		Core department	Departmental group	Core department	Departmental group
		£'000	£'000	£'000	£'000
Non-current assets					
Property, plant & equipment	6	62,626	7,235,844	34,549	7,129,960
Right of use assets	7	28,817	1,245,890	31,598	1,222,982
Heritage assets	8	18,886	2,818,709	18,236	1,851,679
Intangible assets	9	-	69,686	-	69,558
Investment properties		-	34,475	-	33,828
Trade and other receivables*	13	-	386,140	-	253,563
Investments in associates and joint ventures		-	16,286	-	25,463
Other financial assets	11	317,985	3,495,524	366,048	3,930,188
Total non-current assets		428,314	15,302,554	450,431	14,517,221
Current assets					
Assets classified as held for sale		-	-	-	-
Contract assets		-	1,226	-	1,013
Inventories	12	-	327,486	-	224,313
Trade and other receivables*	13	33,703	996,462	126,047	1,161,969
Other financial assets	11	47,739	786,805	18,133	774,129
Cash and cash equivalents	14	107,537	3,043,277	91,412	2,914,718
Total current assets		188,979	5,155,256	235,592	5,076,142
Total assets		617,293	20,457,810	686,023	19,593,363
Current liabilities					
Trade and other payables	15	(187,103)	(2,741,008)	(236,747)	(2,799,338)
Contract liabilities		-	(5,772)	-	(1,689)
Provisions	16	-	(82,724)	-	(54,780)
Lease liabilities	17	(2,622)	(132,288)	(2,946)	(131,543)
Other financial liabilities	18	-	(3,898)	-	(4,056)
Total current liabilities		(189,725)	(2,965,690)	(239,693)	(2,991,406)
Non-current assets plus/(less) net current assets/liabilities		427,568	17,492,120	446,330	16,601,957

* Includes expected credit loss.

Consolidated Statement of Financial Position (continued)

	Note	31 March 2025		31 March 2024	
		Core department	Departmental group	Core department	Departmental group
		£'000	£'000	£'000	£'000
Non-current liabilities					
Trade and other payables	15	-	(1,694,178)	-	(1,865,480)
Provisions	16	-	(122,563)	-	(118,662)
Lease liabilities	17	(37,985)	(1,672,004)	(40,883)	(1,696,907)
Other financial liabilities	18		(463,989)	-	(486,423)
Net retirement benefit assets/ (obligations)	19	-	907,343	-	(93,541)
Total non-current liabilities		(37,985)	(3,045,391)	(40,883)	(4,261,013)
Total assets less liabilities		389,583	14,446,729	405,447	12,340,944
Taxpayers' equity and other reserves					
Taxpayers' funds					
General fund	SoCTE	325,529	4,198,642	371,724	3,242,375
Revaluation reserve	SoCTE	64,054	2,513,918	33,723	2,935,477
Total taxpayers' equity		389,583	6,712,560	405,447	6,177,852
Lottery funds	SoCTE	-	(374,115)	-	(666,940)
Charity funds	SoCTE	-	8,108,284	-	6,830,032
Total reserves	SoCTE	389,583	14,446,729	405,447	12,340,944

Susannah Storey (Accounting Officer)

27 October 2025

The notes on pages 140- 215 form part of these accounts

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

	Note	2024-25		2023-24	
		Core department	Departmental group	Core department	Departmental group
		£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net expenditure	SoCNE	(5,982,305)	(4,562,753)	(5,601,355)	(5,196,090)
Adjustments for non-cash expenditure - purchase of goods and services	4.3	640	640	620	620
Adjustments for non-cash expenditure - depreciation, amortisation, impairment charges and expected credit loss adjustments	4.4	10,957	375,949	(24,828)	346,691
Adjustments for non-cash expenditure - provisions expense	4.5	-	109,665	-	46,793
Adjustments for non-cash expenditure - other operating expenditure		(3)	69,774	(5,100)	33,876
Adjustments for non-cash other operating income	5.2	(18,986)	(1,006,622)	(20,051)	(225,421)
Adjustments for non-cash pension costs		-	(34,875)	-	(71,601)
Reserves released to net expenditure		-	103	-	11
Adjustment for items shown in other sections of cash flow		(364)	(265,350)	(219)	(108,905)
(Increase)/decrease in inventories	12	-	(103,173)	-	20,749
Movements in inventories not passing through the SoCNE	12	-	-	-	(71)
(Increase)/decrease in trade and other receivables	13	92,344	32,313	(90,201)	(205,169)
Movements in receivables not passing through the SoCNE		(3,780)	140,784	(6,414)	-
Movements in bad debt provision		31	6	(42)	376
(Increase)/decrease in contract assets		-	(213)	-	(510)
Increase/(decrease) in trade payables	15	(49,644)	(229,632)	(28,053)	444,923
Increase/(decrease) in contract liabilities		-	4,083	-	(1,573)
Movements in payables not passing through the SoCNE		(14,710)	(20,169)	108,720	109,860
Utilisation of provisions	16	-	(77,828)	-	(130,288)
Prior period adjustment		-	-	1,456	2,619
Payments for unfunded pensions	19	-	(210)	-	(217)
Net cash outflow from operating activities		(5,965,820)	(5,567,508)	(5,665,467)	(4,933,327)
Cash flows from investing activities					
Purchase of property, plant & equipment		(1,129)	(401,140)	(3,422)	(388,946)
Purchase of investment property		-	(471)	-	(154)
Purchase of intangible assets		-	(19,361)	(2)	(20,595)
Purchase of financial assets		(8,374)	(79,910)	(11,101)	(414,372)
Repayments and disposals of financial assets		40,153	98,262	40,820	176,503
Interest and dividend income	5.2	953	315,141	1,001	159,123
Net cash inflow/(outflow) from investing activities		31,603	(87,479)	27,296	(488,441)

Consolidated Statement of Cash Flows (continued)

	Note	2024-25		2023-24	
		Core department	Departmental group	Core department	Departmental group
		£'000	£'000	£'000	£'000
Cash flows from financing activities					
From the Consolidated Fund (supply) - current year		5,953,990	5,953,990	5,680,054	5,680,054
Payment of lease liabilities		(3,618)	(165,475)	(6,089)	(161,618)
Increase in financial liabilities		-	581	-	302
Repayments of financial liabilities		-	(1,740)	-	(1,800)
Net cash inflow from financing activities		5,950,372	5,787,356	5,673,965	5,516,938
Cash transferred in/(out) of the Group		-	-	-	-
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		16,155	132,369	35,792	95,170
Cash flow from non-financing activities					
Receipts due to the Consolidated Fund which are outside the scope of the department's activities		48,036	44,256	18,011	11,597
Payments of amounts to the Consolidated Fund		(48,066)	(48,066)	(30,315)	(30,315)
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		16,125	128,559	23,488	76,452
Cash and cash equivalents at the beginning of the period	14	91,412	2,914,718	67,924	2,838,266
Cash and cash equivalents at the end of the period	14	107,537	3,043,277	91,412	2,914,718

There was no balance outstanding to the Contingencies Fund as at 31 March 2024 or 31 March 2025.

The notes on pages 140- 215 form part of these accounts

Statement of Changes in Taxpayers' Equity (core department) for the year ended 31 March 2025

	Note	Core department		
		General fund	Revaluation reserve	Total reserves
		£'000	£'000	£'000
Balance at 1 April 2023		(191,244)	(44,641)	(235,885)
Net parliamentary funding - drawn down		(5,680,054)	-	(5,680,054)
Net parliamentary funding - deemed supply		(178,653)	-	(178,653)
Supply payable/(receivable) adjustment	15	88,771	-	88,771
CFERs payable to the Consolidated Fund	SOPS 4.1	1,095	-	1,095
Net expenditure for the year	SoCNE	5,601,355	-	5,601,355
Non-cash adjustments:				
Auditors' remuneration	4.3	(620)	-	(620)
Movements in reserves:				
Transfers between reserves		(10,918)	10,918	-
Other movements		(1,456)	-	(1,456)
Balance at 31 March 2024		(371,724)	(33,723)	(405,447)
Net parliamentary funding - drawn down		(5,953,990)	-	(5,953,990)
Net parliamentary funding - deemed supply		(88,771)	-	(88,771)
Supply payable/(receivable) adjustment	15	107,261	-	107,261
CFERs payable to the Consolidated Fund	SOPS 4.1	30	-	30
Net expenditure for the year	SoCNE	5,982,305	-	5,982,305
Non-cash adjustments:				
Auditors' remuneration	4.3	(640)	-	(640)
Movements in reserves:				
Other comprehensive net expenditure	SoCNE	-	(30,331)	(30,331)
Balance at 31 March 2025		(325,529)	(64,054)	(389,583)

The notes on pages 140- 215 form part of these accounts

Consolidated Statement of Changes in Taxpayers' Equity departmental group for the year ended 31 March 2025

	Note	Departmental group					
		General fund	Revaluation reserve	Total taxpayers' equity	Lottery funds	Charity funds	Total reserves
		£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2023		(3,945,313)	(2,191,278)	(6,136,591)	790,675	(6,210,689)	(11,556,605)
Net parliamentary funding - drawn down		(5,680,054)	-	(5,680,054)	-	-	(5,680,054)
Net parliamentary funding - deemed supply		(178,653)	-	(178,653)	-	-	(178,653)
Supply payable/(receivable) adjustment	15	88,771	-	88,771	-	-	88,771
CFERs payable to the Consolidated Fund	SOPS 4.1	1,095	-	1,095	-	-	1,095
Net expenditure for the year	SoCNE	5,579,663	-	5,579,663	(134,591)	(248,982)	5,196,090
Non-cash adjustments:							
Auditors' remuneration	4.3	(620)	-	(620)	-	-	(620)
Movements in reserves:							
Other comprehensive net expenditure	SoCNE	906,152	(756,709)	149,443	10,593	(368,321)	(208,285)
Transfers between reserves		(12,510)	12,510	-	-	-	-
Transfer to SoCNE		-	-	-	-	(11)	(11)
Other adjustments				-		1	1
Other movements		(906)	-	(906)	263	(2,030)	(2,673)
balance at 31 March 2024		(3,242,375)	(2,935,477)	(6,177,852)	666,940	(6,830,032)	(12,340,944)
Net parliamentary funding - drawn down		(5,953,990)	-	(5,953,990)	-	-	(5,953,990)
Net parliamentary funding - deemed supply		(88,771)	-	(88,771)	-	-	(88,771)
Supply payable/(receivable) adjustment	15	107,261	-	107,261	-	-	107,261
CFERs payable to the Consolidated Fund	SOPS 4.1	30	-	30	-	-	30
Net expenditure for the year	SoCNE	5,960,182	-	5,960,182	(299,588)	(1,097,841)	4,562,753
Non-cash adjustments:							
Auditors' remuneration	4.3	(640)	-	(640)	-	-	(640)
Movements in reserves:							
Other comprehensive net expenditure	SoCNE	(978,324)	419,477	(558,847)	1,897	(180,848)	(737,798)
Transfers between reserves		(2,082)	2,082	-			-
Transfer to SoCNE		-	-	-	-	(103)	(103)
Other movements		67	-	67	4,866	540	5,473
Balance at 31 March 2025		(4,198,642)	(2,513,918)	(6,712,560)	374,115	(8,108,284)	(14,446,729)

The notes on pages 140- 215 form part of these accounts

NOTES

1. Statement of accounting policies

1.1 Basis of Preparation

These accounts have been prepared in accordance with the 2024-25 Government Financial Reporting Manual (FReM) and Accounts Direction issued by HM Treasury under the Government Resources and Accounts Act 2000. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the department and the arm's length bodies (the group) for the purpose of giving a true and fair view has been selected. The particular policies adopted by the group are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

In addition to the primary statements prepared under IFRS, the FReM requires the department to prepare a SOPS and supporting notes showing outturn against estimates in terms of the net resource requirement and the net cash requirement. These are included within the parliamentary accountability section of this document.

1.2 Accounting Convention

These accounts have been prepared on an accruals basis under the historical cost convention, as modified to account for the revaluation of non-current assets and, where material, current asset investments, inventories and assets held for sale.

1.3 Basis of Consolidation

The group accounts comprise a consolidation of the core department and the arm's length bodies (ALBs), and their various subsidiaries which fall within the departmental boundary.

In the preparation of the group accounts, the department is required to adopt consistent and uniform accounting policies across all entities with appropriate adjustments made where any differences have a material impact on the accounts. The group accounting policies allow, where possible, for variations in order to reflect particular circumstances of ALBs and their subsidiaries.

All significant intra-departmental transactions and balances between entities within the departmental boundary are eliminated.

A list of all the ALBs within the departmental boundary, and included in the group results (along with the department), is included in note 24.

British Broadcasting Corporation (BBC)

The elements of the BBC's results consolidated in these accounts (sometimes referred to here as BBC Public Service Broadcasting) are those that have been classified by the Office of National Statistics as being part of central government. This includes:

- the public sector broadcasting elements that are funded by the Exchequer through the Grant-in-aid mechanism (where the amount is based on TV Licence Fees collected).
- The Office for National Statistics have classified the BBC Pension Scheme as a pension administrator in the public pension fund subsector, and the BBC as the pension manager within central government. As such, the pension liabilities and assets held by the scheme will be attributed to central government, therefore the whole scheme is consolidated in these accounts.
- BBC Commercial Limited and its direct subsidiary holding companies.

1.4 Going concern

The FReM states that going concern for the public sector is interpreted as the anticipated continued provision of the entity's public services in the future. In common with other government departments, the

group's liabilities are expected to be met by future grants of supply and the application of future income; both to be approved annually by Parliament. There is no reason to believe that future Parliamentary approval will not be forthcoming and therefore it has been concluded as appropriate to adopt the going concern basis of preparation for these accounts.

1.5 Grants

Grant-in-aid

Financing to ALBs through Grant-in-aid payments is reported on a cash basis in the period in which payments are made.

All Grant-in-aid and grants by the department to its ALBs, as well as heritages any intra-group grants between the ALBs, are fully eliminated within the group.

Other Grants

Grants payable or receivable by the ALBs are accounted for on an accruals basis. Grants receivable include funding from lottery funds. Grants payable include multi-year grants and performance-related grants which are classified as either current or non-current provisions (note 1.25), depending on the timing of the payment and the terms of the grant.

Grants payable are recognised when the criteria for a constructive obligation are met, payment is probable, values can be measured reliably and there are no conditions attached to its payment that limit its recognition. Where grant awards which have met recognition criteria have not been paid out in full at year end, and liability is made to reflect any portion of the grant which is payable. Where grants are paid in advance, a prepayment is recognised and released to expenditure when the criteria for a constructive obligation are met. Grant awards that have been made but have not yet met the recognition criteria are recognised as provisions where the cash outflow is probable, or as contingent liabilities.

1.6 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the department or passed legislation; by their nature they are items that ideally should not arise. These are reported in the parliamentary accountability and audit report section of the annual report and accounts.

1.7 Operating income and revenue from contracts with customers

Operating income relates to the operating activities of the group and includes both budgetary and non-budgetary income. It is recognised in accordance with the FReM and *IFRS 15 Revenue from contracts with customers*. Non-budgetary income is outside the ambit of the group budget. More details are included in SOPS 4 in the primary statements of the annual report and accounts.

Operating income is stated net of VAT. The major categories of operating income include lottery income, fees for licences including broadcast licences, donations (in the form of cash or assets), gifts in kind, and non-governmental grants.

Grants received by entities within the group

Grant funding, in respect of capital and revenue expenditure, is credited to the Consolidated Statement of Comprehensive Net Expenditure (SoCNE) in the year in which the entitlement to the monies arise in accordance with the application of *IAS 20 Accounting for Government Grants and Disclosure of Government Assistance* recommended by the FReM including the satisfaction of performance conditions.

Revenue from contracts with customers

IFRS 15 was adopted with effect from 1 April 2018.

Main categories of revenue from contracts with customers are 'goods and services', 'rental income', 'fees, charges and duties', 'levies', 'royalties' and 'charity income – sponsorships and trading'.

Revenue from contracts with customers is measured at the fair value of consideration received or receivable (transaction price) and comprises primarily of fees and charges for services rendered, levy money collected in accordance with legislation, and sponsorship and trading arrangements. Income is recognised either when the performance obligation in the contract has been performed ('point in time') or 'over time' as control of the performance obligation is transferred to the customer. A performance obligation must meet one of the three criteria in *IFRS 15 Revenue from contracts with customers* for recognition to take place 'over time'. The default category, if none of these criteria are met, is 'point in time' recognition. Further details on the category of income recognition for each type of income stream can be found below:

Goods and services

- As noted in note 5.1, this is largely BBC revenue relating to broadcasting services, being content and format sales, production income, and subscription fees.
- These income streams are measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Income recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer.
- Content and format sales are recognised on the later of the licence period start date or when the associated programme has been delivered. Further information on when content and format sales, production income, and subscription fees are recognised are included within note B of the BBC's accounts, including whether these meet the 'over time' or 'point in time' recognition criteria.

Fees, charges and duties

- As noted in note 5.1, this is largely amounts whereby, under statute or HM Treasury consent, an entity is permitted to retain the revenue from taxation, fines and penalties. This revenue is treated as arising from a contract and accounted for under IFRS 15.
- Revenue is recognised for these income streams. When the equivalent to a taxable event has occurred, the revenue can be measured reliably, and it is probable that the assisted economic benefits from the taxable event will flow to the collecting entity.

Use of estimates and judgements – income recognition

The major estimates and judgements for income recognition of revenue from contracts with customers relate to the BBC. The complexity of individual contractual terms may require the BBC to make judgements in assessing when the triggers for income recognition have been met, particularly whether the BBC has sufficiently fulfilled its obligations under the contract to allow income to be recognised. Further information is included within note B of the BBC's 2024-25 accounts.

Contract assets and liabilities

Contract assets are recorded when the right to consideration in exchange for goods or services that have been transferred to a customer is conditional on something other than the passage of time, for example the entity's future performance.

Contract liabilities are recorded when an obligation is created to transfer goods or services to a customer, for which the entity has received consideration (or the amount is due) from the customer, but the goods or services have yet to be transferred.

Both contract assets and liabilities as defined by IFRS 15 Revenue from contracts with customers are immaterial to DCMS.

1.8 Property, plant and equipment

In accordance with the FReM, all material tangible non-current assets are carried at current value in existing use at the reporting period, except where noted below.

Freehold land and buildings are revalued to fair value every five years on a rolling basis, using professional valuations. In between professional valuations, carrying values are adjusted by the application of indices or through desktop valuations for which different indices are applied depending on the assets. All ALBs have professional valuations completed with assumptions reviewed as

required. In the case of the BBC, the key variables underpinning the valuations (i.e. yields, rents and other assumptions) are reviewed, and where there are material changes, the valuations are adjusted accordingly. The valuation approach adopted follows the Royal Institution of Chartered Surveyors (RICS) Red Book.

All other tangible assets (non-property) are carried at fair value using values or applying appropriate indices, where material. Some ALBs have used depreciated historic cost as a proxy for fair value on short life/low value assets where they deem the fair value adjustment is not materially different from the depreciated historic cost. As such these tangible non-current assets are not revalued.

The policy on heritage assets is disclosed in note 1.10.

The policy on right of use assets is disclosed in note 1.23.

Capitalisation thresholds

The thresholds across the group range from £1k to £10k (including irrecoverable VAT). The core department's capitalisation threshold is £2k.

1.9 Depreciation and amortisation

Property, plant and equipment (PPE), intangibles and right of use assets are depreciated to estimated residual values evenly over the following estimated useful lives:

• Freehold and long leasehold land	Not depreciated
• Freehold buildings	Up to 100 years
• Short leasehold improvements/buildings	Term of the lease
• Long leasehold improvements/buildings	10-50 years
• Information technology	3-5 years
• Plant and machinery	3-30 years
• Furniture and fittings	3-20 years
• Antiques, works of art and collections	Not depreciated
• Assets under construction	Not depreciated until the asset is brought into use
• Intangible assets	2-5 years for internally generated assets; the licence period for purchased licences; or the period of expected income streams for income generating assets

The depreciation method used provides a realistic reflection of the consumption of that asset. Estimated useful lives, and residual values are reviewed at each reporting date.

1.10 Heritage assets

Heritage assets are tangible assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture and as such are intended to be preserved in trust for future generations. Heritage assets held by the group consist of historic artefacts and archives, works of art, collection items, and historic land and buildings.

Operational heritage assets (mainly comprising buildings) are used by the group to generate revenue or to provide other services. Operational heritage assets are valued and depreciated in the same way as other assets of that type.

Non-operational heritage assets are assets held primarily in pursuit of the group's overall objectives in relation to the maintenance of heritage. Non-operational heritage assets are included at cost or at

valuation depending on the availability of information. The assets being reported at cost and those being reported at valuation are presented separately in note 8.1. Changes in heritage asset valuations are recognised in the Other Comprehensive Expenditure section of the SoCNE. Impairment losses are recorded separately.

The majority of heritage assets (works of art and collections) are not depreciated as the length of their expected useful economic life is regarded to be close to infinite.

For the collections that existed at 31 March 2001, the group is of the opinion that valuation information cannot be obtained at a cost commensurate with the benefits to users of the accounts. As valuation is not practical, the group have therefore only capitalised assets acquired since 1 April 2001.

1.11 Donated assets

Donated assets are capitalised at fair value on receipt, and this value is credited to the SoCNE. Donated assets are revalued, depreciated and subject to impairment as appropriate in the same manner as heritage assets or other non-current assets. Donated services or facilities, including gifts in kind, are included in the SoCNE at the value to the group where this can be quantified.

1.12 Intangible non-current assets

In accordance with the FReM, all intangible assets are carried at current value in existing use. Intangible assets held by the group mainly relate to software licences. Depreciated historical cost is used as a proxy for fair value on short life or low value assets, as it is considered not to be materially different from fair value.

Income generating intangibles are capitalised based on the associated expected income streams.

1.13 Revaluation and impairment of non-current assets

Assets are revalued to current value in existing use and increases in value are credited to the revaluation reserve, unless it is a reversal of a previous impairment. Reversals are credited to the SoCNE to the extent of the previous impairment and any excess is credited to the revaluation reserve, in accordance with *IAS 36 Impairment of Assets*.

Impairments of revalued assets that do not result from a clear consumption of economic benefits are charged to the revaluation reserve up to the level of depreciated historical cost. Any excess downward revaluation is charged to the SoCNE. Each year, the realised element of the reserve (i.e. an amount equal to the excess of the actual depreciation over depreciation based on historical cost) is transferred from the revaluation reserve to the general fund.

Impairment losses that result from a clear consumption of economic benefit are taken directly to the SoCNE. Where the impairment relates to a revalued asset, the balance on the revaluation reserve to which the impairment would have been charged is transferred to the general fund to ensure consistency with IAS 36.

On disposal of a revalued asset, the balance on the revaluation reserve in respect of that asset becomes fully realised and is transferred to the general fund. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the SoCNE.

All non-current assets are reviewed for impairment if circumstances indicate that the carrying amount may not be recoverable. In addition, intangible assets with an indefinite useful life are not subject to amortisation and are instead tested annually for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and its value in use.

1.14 Investment properties

The group holds a number of properties which have been classified as investment properties and are not depreciated, in accordance with *IAS 40 Investment Property*, but may be impaired or revalued to provide a carrying value at their estimated fair value. Fair value is based on active market prices subject to the nature, location or condition of the specific asset. Full valuations are undertaken every five years, with

desktop reviews carried out in intervening periods. Gains or losses arising in fair value of investment property are recognised in the SoCNE.

If an investment property is leased out under an operating lease, the leased asset remains within investment property in the Consolidated Statement of Financial Position (SoFP). The lease revenue is recognised over the term of the lease on a straight-line basis in the SoCNE.

1.15 Investments in subsidiaries

Investments in subsidiaries that have been (or are expected to be) classified by the Office for National Statistics as public corporations are stated at fair value in accordance with the FReM. Where the fair value is not available, an appropriate proxy is used e.g. net assets of the subsidiary or a discounted cash flow valuation.

Valuation of BBC Commercial Limited's public corporations

The fair value placed on those subsidiaries of BBC Commercial Limited, classified as public corporations, is based on a discounted cash flow model which relies on estimated cash flow projections and judgements about long term growth and the discount rate used. Further details on the methodology used can be found in note 10.5.1.

1.16 Research and development

Development expenditure is capitalised in accordance with *IAS 38 Intangible Assets* if all the following criteria are met:

- it is technically feasible to complete the intangible item so that it will be available for use
- the group intends to complete the intangible item and use it
- there is an ability to use the intangible item
- it can be demonstrated how the development expenditure will generate future service potential
- adequate technical, financial and other resources to complete the development and to use the intangible item are available
- the expenditure attributable to the intangible item during its development can be reliably measured.

Other development expenditure that does not meet these criteria is recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent year.

Expenditure on research activities is recognised in the SoCNE in the period in which it is incurred.

1.17 Assets held for sale

In accordance with *IFRS 5 Non-current Assets Held for Sale and Discontinued Operations*, where the carrying amount of an asset is to be recovered by sale rather than by continuing use the asset is reclassified as an asset held for sale. The asset must be actively being marketed for sale and a sale is expected to be completed within one year of the reporting date. Such assets are disclosed separately in the SoFP and are measured at the lower of carrying amount and fair value less costs to sell. Once classified as assets held for sale, depreciation is no longer applied.

1.18 Inventories

Inventories are valued at the lower of cost or net realisable value. Inventories of finished goods and goods for resale are valued at the lower of cost, or, where materially different, current replacement cost. Work in progress is valued at the lower of cost and net realisable value.

Inventories across the group consist of raw materials, work in progress, finished goods and consumable stores.

The Public Broadcasting Authorities' inventories include amounts for public service programmes that are in production, completed programmes that are ready for broadcast, (but not yet aired), and rights

secured to broadcast programmes produced by independent companies. Originated programmes are stated at the lower of cost and net realisable value, and the full value is written off on first transmission. The costs of acquired programmes and films are also written off on first transmission, except to the extent that the numbers of further showings are contractually agreed, when it is written off according to its expected transmission profile.

Direct costs incurred in the commissioning or purchase of public service programmes, as yet not transmitted, are carried forward as inventory, after providing for expenditure on material which is unlikely to be transmitted. For a series of programmes, the allocation of inventory between programmes completed but not yet transmitted and programmes, in the course of production, is based on total costs to date and the contractual cost per completed episode.

Direct costs are defined as payments made or due to production companies or programme suppliers.

1.19 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and other short term highly liquid investments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value, with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

1.20 Financial instruments

Financial instruments include all contractual arrangements to deliver or receive cash. Therefore, they include trade receivables, trade payables and loans as well as more complex instruments such as derivatives. Forward exchange contracts allow the buying or selling of currency at a fixed exchange rate with delivery made on a given date or dates in the future.

The group holds various derivative and non-derivative financial instruments, including assets such as trade investments and liabilities such as borrowings.

IFRS 9 Financial Instruments was adopted with effect from 1 April 2018. In accordance with IFRS 9, each financial asset is classified at initial recognition, or at the point of first adoption of IFRS 9, into one of three categories:

- i. Financial assets at Fair Value Through Profit or Loss ("FVTPL")
- ii. Financial assets at Fair Value Through Other Comprehensive Income ("FVOCI")
- iii. Financial assets at amortised cost

Each financial liability is classified into one of two categories:

- iv. Financial liabilities at FVTPL
- v. Financial liabilities at amortised cost

The classification of each financial asset is determined by the business model for the asset and cash flows linked with the asset.

The accounting policies for major categories of financial instruments under IFRS 9 are set out below. For each category, income is recognised when party to the contractual arrangement and derecognised when the asset or liability has expired or been transferred.

For more information see note 10 – Financial Instruments.

1.20.1 Financial assets

Financial assets classified as fair value through the Statement of Comprehensive Net Expenditure

Any gains or losses on the fair value of an investment are recorded within operating income in the SoCNE, including any downward revaluations.

Assets classified as FVOCI - equity investments

These include all investment funds and equities - unless they are classed as assets held for trading – and also include investments in subsidiaries (see also note 1.15). An election has been made to hold these assets at FVOCI as they are not held for trading. They are included in non-current assets unless the group intends to dispose of, or realise, the investment within 12 months of the SoFP date. They are stated at their fair value with gains and losses (including any downward revaluations) recognised in other comprehensive net expenditure, except dividend income which is recognised in the SoCNE.

On disposal, the cumulative gain or loss previously recognised in other comprehensive net expenditure is reclassified from the revaluation reserve to the general fund.

Amortised cost assets

Amortised cost assets are recognised initially at fair value and subsequently measured at amortised cost, on the basis that they are only held to collect contractual cash flows on specified dates that contain payments of principal and interest. An allowance for estimated impairment is based on the expected credit loss model. Changes in the carrying amount of the allowance are recognised in the SoCNE.

Amortised cost assets - impairments

The group has a forward-looking 'expected loss' impairment model for amortised cost assets. This model requires the use of lifetime expected credit loss provision for all financial assets held at amortised cost. These provisions are based on an assessment of risk of default on material financial assets or groups of financial assets at the SoFP date. The assessment uses historical data, professional fund manager assistance (where appropriate), and macroeconomic assessments to review the likelihood of default on amortised cost financial assets. Objective evidence includes significant financial difficulty of the issuer or debtor, disappearance of an active market for the financial asset because of financial difficulties, or data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the official recognition.

Where objective evidence exists that a financial instrument is impaired or there is a likelihood of default, for example, through a significant or prolonged decline in fair value of the asset below its cost, its loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted where material.

1.20.2 Financial liabilities

Trade and other payables

Long term trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.21 Derivative financial instruments

The group does not enter into speculative derivative contracts; however, some derivative financial instruments are used to manage the group's exposure to fluctuations in interest rates (interest rate swaps, caps and collars) and foreign currency exchange rates (foreign currency forward contracts and currency options).

Derivative financial instruments are initially recognised at fair value and are subsequently measured at fair value at the reporting date with movements recorded in the SoCNE.

The fair value of interest rate swaps, caps and collars is the estimated amount that the group would receive or pay to terminate the swap, cap or collar at the reporting date, taking into account current interest rates, the current creditworthiness of the swap, cap or collar, counterparties, and the creditworthiness of the group.

The fair value of foreign currency forward contract rates is determined using forward exchange rates at the reporting date.

1.22 Employee Benefits

In accordance with *IAS 19 Employee Benefits*, the group is required to recognise short term employee benefits when an employee has rendered service in exchange for those benefits. Included in the

accounts is an accrual for the outstanding employee paid holiday entitlement at the reporting date.

1.23 Leases

Leases are accounted for under *IFRS 16 Leases* since its implementation from 1 April 2019.

Assumptions

The definition of a contract is expanded under the FreM definition to include intra-UK government agreements where non-performance may not be enforceable by law. This includes, for example, Memorandum of Terms of Occupation (MOTO) agreements.

In line with the FreM definition of a lease is expanded to include arrangements with £nil consideration. Peppercorn leases are examples of these, and they are defined by HMT as lease payments significantly below market value. These assets are fair valued on initial recognition. Any differences between the lease liability and the right of use asset for new leases after implementation of IFRS 16, are recorded as capital grant in kind income in the SoCNE.

Following HMT guidance, the group has elected not to recognise right of use assets and lease liabilities for the following leases:

- intangible assets
- non-lease components of contracts where applicable
- low value assets (these are determined to be in line with capitalisation thresholds on PPE, except vehicles which have been deemed to not be of low value)
- leases with a lease term of 12 months or less.

Policy

At inception of a contract, the group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time. This includes assets for which there is no consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether:

- the contract involves the use of an identified asset
- the group has the right to obtain substantially all of the economic benefit from the use of the asset throughout the period of use
- the group has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, the group allocates the consideration in the contract to each lease component on the basis of the relative standalone prices.

The group assesses whether it is reasonably certain to exercise break options or extension options at the lease commencement date. The group reassesses this if there are significant events or changes in circumstances that were not anticipated.

As a lessee

Right of use assets

The group recognises a right of use asset and lease liability at the commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs, prepayments or incentives, and costs related to restoration at the end of a lease.

The right of use assets are subsequently measured at either fair value or current value in existing use, in line with PPE assets. The cost measurement model in IFRS 16 is used as an appropriate proxy for current value in existing use or fair value for the majority of leases, except for those which meet one or both of the following:

- a longer-term lease that has no provisions to update lease payments for market conditions or if there is a significant period of time between those updates
- the fair value or current value in existing use of the underlying asset is likely to fluctuate significantly

due to changes in market prices.

The right of use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of PPE assets.

The group applies *IAS 36 Impairment of Assets* to determine whether the right of use asset is impaired and to account for any impairment loss identified.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if that cannot be readily determined, the rate provided by HMT. For the BBC other discount rates are used that more accurately represent the BBC's incremental borrowing as allowed by IFRS 16 application guidance.

When measuring lease liabilities, the group discounted lease payments uses rates within the range 0.03% to 58.01%.

The lease payment is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in the index or rate, if there is a change in the group's estimates of the amount expected to be payable under a residual value guarantee, or if the group changes its assessment of whether it will exercise a purchase, extension or termination option.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments
- variable lease payments that depend on an index or a rate, initially measured using the index rate as at the commencement date
- amounts expected to be payable under a residual value guarantee
- the exercise price under a purchase option that the group is reasonably certain to exercise, lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the group is reasonably certain not to terminate early.

When the lease liability is remeasured, a corresponding adjustment is made to the right of use asset or recorded in the SoCNE, if the carrying amount of the right of use asset is £nil.

The group presents right of use assets that do not meet the definition of investment properties per *IAS 40 Investment properties* as right of use assets on the SoFP. The lease liabilities are included within lease liabilities within current and non-current liabilities on the SoFP.

As a lessor

When the group acts as a lessor, it determines at lease inception whether each lease is a finance or operating lease.

To classify each lease, the group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease.

When the group is the intermediate lessor, it accounts for its interest in the head lease and the sublease separately. If a head lease is a short-term lease to which the group applies the exemption above, then the sublease classifies as an operating lease.

The group recognises lease payments under operating leases as income on a straight-line basis over the length of the lease terms.

1.24 Retirement benefit obligations

1.24.1 Funded pension schemes

A number of ALBs participate in defined benefit pension schemes as described in note 19. A defined benefit plan is a post-employment based on length of service and pensionable pay. The net obligation in respect of these defined benefit pension plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value, and the fair values of plan assets are deducted. Actuarial gains and losses that arise are recognised in the period that they occur through other comprehensive net expenditure. The most significant funded defined benefit scheme in the group is operated by the BBC.

BBC pension scheme

The BBC operates a number of defined benefit plans for employees (closed to new employees from 1 January 2012), which provide benefits based on pensionable pay. The assets of the BBC's pension scheme are held in a separate fund, and on retirement, members of the BBC's main pension scheme are paid their pensions from this fund. The BBC makes cash contributions to the fund in advance of members' retirement.

1.24.2 Unfunded pension schemes

A number of employees of the department and some of the ALBs are covered by the provisions of the Principal Civil Service Pension Schemes (PCSPS), as described in the staff report section of the annual report.

The PCSPS is an unfunded multi-employer defined benefit scheme. The participating bodies make contributions based on rates that are set to meet the cost of the benefits accruing during the reporting period, to be paid when the member retires, and not the benefits paid during this period to existing pensioners. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution elements of the schemes, the group recognises the contributions payable for one year. Contributions to the defined benefit pension scheme are charged to the SoCNE in accordance with actuarial recommendations, so as to spread the cost of the pensions over the employees' expected working lives.

1.24.3 Early departure costs

For past early departure schemes, the group meets the additional costs of benefits beyond the normal PCSPS benefits, in respect of employees who retired early, by paying the required amounts annually to the PCSPS over the period between early departure and normal retirement date. The total cost was provided for in full when the early departure programme was announced and remains binding on the group.

1.24.4 Other unfunded defined benefit pension schemes

The employees of some ALBs are members of other unfunded defined benefit pension schemes. Employer contributions to the defined benefit schemes are charged to the SoCNE in the period to which they relate.

1.25 Provisions

In accordance with *IAS 37 Provisions, Contingent Liabilities and Contingent Assets*, provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle that obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

The discount rates applicable in the 2024-25 accounts are: short-term rate (between 0 and up to and including 5 years): 4.03% per annum; medium-term rate (after 5 and up to and including 10 years): 4.07% per annum; and long-term rate (exceeding 10 years): 4.81% per annum. Each year, the financing charges in the SoCNE include the adjustments to unwind one year's discount so that liabilities are shown at current price level.

1.26 Taxation

Value Added Tax (VAT)

VAT is paid or received in accordance with the prevalent tax rules. In general, most of the activities of the group are outside the scope of VAT and output tax does not normally apply. Some ALBs have trading activities where VAT is charged at the prevailing rate and where related input VAT costs are deemed recoverable. Input tax is also recoverable on certain contracted-out services.

Irrecoverable VAT is charged to the relevant expenditure category or, if appropriate, capitalised with additions to non-current assets.

Corporation Tax

In accordance with *IAS 12 Income Taxes*, corporation tax is liable on the taxable activities of the group that fall within the scope of corporation tax. The tax charge represents the sum of currently payable and deferred tax, which is recognised in the SoCNE, except where they relate to items recognised directly in taxpayers' equity, in which case they are recognised in the Consolidated Statement of Taxpayers' Equity.

Current tax is the expected tax payable for the year by the group, using tax rates that are enacted or substantively enacted at the accounting date, and any adjustment to tax payable in respect of previous years.

1.27 Reserves

The Consolidated Statement of Taxpayers' Equity comprises the reserves for the core department, and the group.

These reserves include:

- the general fund reserve representing the group's total taxpayers' equity not including the charitable and lottery funds. These reserves are made up of total assets less liabilities, to the extent that the total is not represented by other reserves and financing items
- the revaluation reserve reflecting the unrealised balance of the cumulative indexation and revaluation adjustments to assets (other than donated assets, assets funded by grants, and assets held in charity or lottery funds)
- the lottery funds being the total reserves of the lottery distributors within the group. As these are presented after elimination of intercompany transactions, they will not agree back to the individual ALB accounts. The lottery funds comprise the general fund and revaluation reserve held by the lottery distributors. These reserves are shown in the accounts as a combined figure as they are reserves only for use by the lottery distributors
- the charity funds being the total reserves of the charitable ALBs within the group. As these are presented after elimination, they will not agree back to the individual ALB accounts. These comprise the charity general funds (including any designated reserves), restricted reserves, unrestricted reserves, and any pension or revaluation reserve held by the charity ALBs. These reserves are shown in the departmental consolidated accounts as a combined figure as they are reserves only for use by the charitable ALBs.

1.28 Segmental reporting

Operating segments are reported in a manner where appropriate to be consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the group activities, has been identified as the DCMS Executive Board.

The segmental analysis in note 2 presents the financial information based on the requirements of IFRS 8.13. The group operating segments reflect the major bodies expenditure and assets within the group.

1.29 Third party assets

The group holds, as custodian or trustee, certain assets belonging to third parties. These are not recognised in the accounts, since the group does not have a direct beneficial interest in them.

1.30 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group.

A contingent liability can also include an amount where a present obligation arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Where the time value of money is material, contingent liabilities are stated at discounted amounts

1.31 Contingent assets

A contingent asset is a possible asset whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group. Where the time value of money is material, the contingent assets are stated at discounted amounts.

1.32 Accounting estimates and judgements

Critical accounting estimates and judgements

The preparation of the group's accounts requires management of the core department and the ALBs to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenditure. The resulting accounting estimates will, by definition, seldom equal the related actual results. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Valuation of non-current assets

The value of the group's PPE, right of use assets and intangible assets are estimated based on the period over which the assets are expected to be available for use. Such estimation is based on experience with similar assets. The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, legal or other limits on the use of an asset. The uncertainty and judgements in the valuations are included in note 6.

The group has a number of buildings that are classed as heritage assets. These specialised non-current assets have a restricted use and cannot be sold on the open market. Consequently, a judgement has been made to, where possible, value them using the depreciated replacement cost of a modern equivalent rather than the replacement cost of the original. The depreciated replacement cost valuation involves certain assumptions and estimates.

The valuation of the BBC's property assets is based on future rental income. Inherent in this valuation are estimates of future rental income which are subject to movements in the rental market. Specialist adaptations (e.g. studios) have been valued using the depreciated replacement cost method.

Extension options

At lease commencement, the group makes a decision as to whether they are reasonably certain to be exercising break clauses or extension options. This estimate determines the length of the lease term impacting the lease liabilities and right of use assets. This is reviewed if there is a significant event or significant change of circumstances.

The BBC has a number of options to extend the lease on a right of use asset, or to purchase the underlying asset – typically relating to land and buildings, either in the UK or overseas. An assessment

of the location and the availability of suitable alternatives have been undertaken in determining the likelihood of exercising these options. Management's estimate determines the length of the lease term impacting the lease liabilities and right of use assets.

The BBC exercises judgment and estimates over options of a leased building. Management's judgement includes the use of alternative buildings and the strategic importance of the building. Estimates include the length of the lease term. The impact of these judgements and estimates is significant to the financial statements and are reviewed on a regular basis

Valuation of BBC Commercial Limited's public corporations - See note 1.15.

Provisions for liabilities and charges

The provisions for liabilities and charges reported in note 16 reflect judgements about the likelihood that a future transfer of economic benefits will arise as a result of past events. A provision is recognised where the likelihood of a liability crystallising is deemed probable and where it is possible to quantify the effect with reasonable certainty. Where the likelihood of potential liabilities crystallising is judged to be possible, a contingent liability is disclosed.

Retirement benefit obligations

The present value of the net pension liability detailed in note 19 depends on a number of actuarially derived assumptions about inflation, salary and pension trends, discount factors, mortality rates, and long-term rate of return on the assets (equities, bonds and property) underlying the relevant pension funds. The estimated liability is subject to fluctuation and uncertainty due to changes in these assumptions over time and differences between assumptions and actual events. A small change in assumptions can have a significant impact on the valuation of the liabilities. Further analysis on the sensitivity of the BBC pension assumptions is given in note 19.2.2.

Expected credit loss

The forward-looking impairment assessment model includes some estimates and judgements on the likelihood of default on our amortised cost assets. The quantum of these estimates and judgements is included within note 4.4.

COVID-19 loans

The core department has issued COVID-19 support loans to the sectors that it operates in, which include the Sport Survival Package and the Cultural Recovery Fund (see note 11). These support packages have been classified as financial assets measured at amortised cost in line with *IFRS 9 Financial instruments*, as the cash flows are solely payments of principal and interest.

The transaction price is different to their fair value. The fair value has been calculated by discounting the future risk adjusted cash flows at the higher of the rate intrinsic to the loans and the real financial instrument discount rate set by HM Treasury (promulgated in Public Expenditure System (PES) papers). Modified loans have been discounted using the original effective interest rate. DCMS has elected to treat this difference as a government grant, in line with *IAS 20 Government grants*, as in substance these loans are issued in support of DCMS's policy objectives. This adjustment is shown as expenditure in the Consolidated SoCNE when the loans are issued, as this is the point that all conditions and obligations will have been met by the borrowers. Subsequently, the effective interest rate is applied to the support loan's gross carrying amount and recognised as interest revenue.

For existing support loans, an expected credit loss allowance will be measured as the expected loss over the next 12 months (stage 1). If there has been a significant increase in the credit risk, a lifetime expected credit loss will be applied (stage 2). For support loans that become credit-impaired (stage 3), the expected credit loss recognised is the difference between the asset's gross carrying amount and the present value of estimated future cash flows. Further information on the loss applied to the support loans can be found in note 11.

Sir Percival David Foundation donated asset valuation

In 2024/25, donated additions includes a collection of 1,689 Chinese ceramics, glass and a handscroll

donated by the Sir Percival David Foundation (SPDF), valued at £915m. Owing to the unique nature of the collection, identifying a direct comparator (i.e. recent market transactions of items that are identical or substantially the same as those in the collection) is not possible for many of the objects. Accordingly, the expert's judgement in relating the object to something which is in some manner comparable, through consideration of the variables outlined, is vital to the valuation. The methodology adopted is considered to be sufficient to make a reliable estimate of the fair value of the collection. However, all valuations are by definition subjective opinions; for the more expensive objects in particular, a significant variation in assessed value between expert valuers is an accepted likelihood within the industry. In assessing the value of the SPDF collection, the Museum has considered alternative approaches, and obtained new expert valuations on a spotcheck basis for a proportion of the collection (a desktop assessment that focused on all high value items plus a random selection of lower value ones). This exercise has confirmed the essential reliability of the 2022 valuation, whilst highlighting the subjectivity of the process. The spot checks, which focused on 65 objects in the collection including the top 53 by value, suggested a potentially significant increase in value (+£197m, +32%). However, for 88% of the uplift this judgement was not based on new market evidence unavailable at the time of the previous full valuation in 2019. DCMS consider the figure of £915m per the 2022 valuation prepared for the GIS to represent the best estimate of fair value at the date of acquisition of the collection. In making this judgement they acknowledge the subjectivity of the valuation process and the inherent limitations in assigning a fair value to a collection of this nature. The selected method maintains a consistency of approach to the fair value assigned to all 1,689 objects in the SPDF collection.

1.33 Changes in the group boundary

The entities within the group remain consistent with the previous reporting period.

1.34 Machinery of Government (MoG) Changes

There have been no Machinery of Government Changes in the current year.

1.35 Key changes to accounting policies and impacts for 2024-25 Annual Report and Accounts

There have been no key accounting policy changes in the 2024-25 Annual Report and Accounts.

1.36 Changes to accounting standards not yet effective

The department has assessed the following standards, amendments and interpretations that have been issued but are not yet effective and determined not to adopt them before the effective date when adoption would be required.

IFRS 17 Insurance Contracts

The International Accounting Standards Board (IASB) has issued *IFRS 17 Insurance Contracts* which replaces IFRS 4 Insurance Contracts. This is being applied by HM Treasury in the FreM from 1 April 2025. IFRS 17 redefines what constitutes an insurance contract broadly, bringing many more situations in scope including the Government Indemnity Scheme and others currently accounted for as remote contingent liabilities. The impact of these have been assessed and it is not expected to be material for DCMS group or the core department.

IFRS 18 Presentation and Disclosure in Financial Statements

The IASB has issued *IFRS 18 Presentation and Disclosure* in Financial Statements which replaces *IAS 1 Presentation of Financial Statements*. IFRS 18 specifies the format of the statement of profit or loss, to ensure more consistency between bodies, and also requires certain management performance measures to be disclosed in the financial statements. It is expected to be implemented by the UK public sector from 1 April 2028. IFRS 18 will require the presentation and format of the group's SoCNE to be restated, but there will be no change to the underlying figures.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 allows subsidiaries that do not have public accountability to apply reduced disclosure requirements, as set out in the standard. It will therefore not have any impact on the financial statements of DCMS group or the core department.

2. Statement of Operating Expenditure by Operating Segment

2.1 Statement of Comprehensive Net Expenditure by Operating Segment

	Note	2024-25							2023-24 reclassification						
		Core department	BBC PSB group	Lottery distributing bodies	Museums and galleries	Other ALBs	Eliminations	Total as per group SoCNE	Core department	BBC PSB group	Lottery distributing bodies	Museums and galleries	Other ALBs	Eliminations	Total as per group SoCNE
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs	3	80,416	1,311,700	97,400	353,682	300,920	(58)	2,144,060	72,109	1,261,700	94,823	333,533	289,483	257	2,051,905
Grant and subsidies to sponsored bodies	4.1	5,583,881	-	-	-	705	(5,583,881)	705	5,298,013	-	-	-	1,088	(5,298,013)	1,088
Other grants	4.2	416,516	-	1,457,895	9,946	859,349	(15,211)	2,728,495	310,939	-	1,591,089	9,891	981,269	(112,902)	2,780,286
Purchase of goods and services	4.3	47,638	3,200	41,629	209,004	168,521	(9,535)	460,457	56,120	2,894	39,058	195,041	155,463	(10,241)	438,335
Depreciation, amortisation, impairment charges and expected credit loss adjustments	4.4	10,957	162,118	1,535	145,350	55,989	-	375,949	(24,828)	165,589	2,146	156,076	47,708	-	346,691
Provisions expense	4.5	-	101,673	653	1,383	5,956	-	109,665	-	38,612	655	6,608	918	-	46,793
Finance cost	4.6	594	45,537	182	4,956	1,286	-	52,555	789	48,274	206	1,246	2,651	-	53,166
Other operating expenditure	4.6	74,747	2,877,205	26,381	(407,780)	690,393	(100,398)	3,160,548	99,458	2,561,653	22,151	(380,447)	658,299	(113,181)	2,847,933
Total expenditure	SoCNE	6,214,749	4,501,433	1,625,675	316,541	2,083,119	(5,709,083)	9,032,434	5,812,600	4,078,722	1,750,128	321,948	2,136,879	(5,534,080)	8,566,197
Income from contracts with customers	5.1	(48,923)	(229,900)	-	(90,528)	(200,612)	2,289	(567,674)	(49,427)	(229,482)	-	(106,441)	(199,148)	1,850	(582,648)
Current grant income	5.1	(99,747)	(107,000)	(71)	(17,383)	(105,630)	98,240	(231,591)	(106,320)	(112,000)	(53)	(19,292)	(102,786)	106,307	(234,144)
Other operating income	5.2	(83,774)	(355,473)	(1,925,192)	(1,267,586)	(63,064)	24,673	(3,670,416)	(55,498)	(160,333)	(1,878,588)	(511,273)	(75,533)	127,910	(2,553,315)
Total income	SoCNE	(232,444)	(692,373)	(1,925,263)	(1,375,497)	(369,306)	125,202	(4,469,681)	(211,245)	(501,815)	(1,878,641)	(637,006)	(377,467)	236,067	(3,370,107)
Net expenditure for the year ended 31 March	SoCNE	5,982,305	3,809,060	(299,588)	(1,058,956)	1,713,813	(5,583,881)	4,562,753	5,601,355	3,576,907	(128,513)	(315,058)	1,759,412	(5,298,013)	5,196,090

2.2 Statement of Financial Position by Operating Segment

	Note	2024-25							2023-24 reclassification						
		Core department	BBC PSB group	Lottery distributing bodies	Museums and galleries	Other ALBs	Eliminations	Total as per group SoFP	Core department	BBC PSB group	Lottery distributing bodies	Museums and galleries	Other ALBs	Eliminations	Total as per group SoFP
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Non-current assets	SoFP	428,314	4,179,174	11,375	8,862,475	1,850,263	(29,047)	15,302,554	450,431	4,693,749	13,903	7,710,859	1,690,793	(42,514)	14,517,221
Current assets	SoFP	188,979	2,050,121	2,078,863	407,277	466,355	(36,339)	5,155,256	235,592	2,091,175	1,920,332	416,369	440,813	(28,139)	5,076,142
Total assets	SoFP	617,293	6,229,295	2,090,238	9,269,752	2,316,618	(65,386)	20,457,810	686,023	6,784,924	1,934,235	8,127,228	2,131,606	(70,653)	19,593,363
Current liabilities	SoFP	(189,725)	(682,973)	(1,239,749)	(199,814)	(689,459)	36,030	(2,965,690)	(239,693)	(680,213)	(1,284,229)	(186,329)	(626,754)	25,812	(2,991,406)
Non-current liabilities	SoFP	(37,985)	(1,669,861)	(1,211,861)	(185,499)	30,459	29,356	(3,045,391)	(40,883)	(2,757,503)	(1,304,203)	(180,995)	(22,270)	44,841	(4,261,013)
Total liabilities		(227,710)	(2,352,834)	(2,451,610)	(385,313)	(659,000)	65,386	(6,011,081)	(280,576)	(3,437,716)	(2,588,432)	(367,324)	(649,024)	70,653	(7,252,419)
Total assets less liabilities	SoFP	389,583	3,876,461	(361,372)	8,884,439	1,657,618	-	14,446,729	405,447	3,347,208	(654,197)	7,759,904	1,482,582	-	12,340,944

The 2023-24 figures have been reclassified to separate out museums and galleries from other ALBs.

The department reports its expenditure by operating segment in accordance with IFRS 8 Operating Segments. The group's operations are organised and managed by body. This includes the department and ALBs. The group operating segments reflect the major bodies by expenditure within the group. All other bodies within the group are included under 'Other ALBs'.

Intra-group eliminations occur between group entities during the normal course of business. This is disclosed in the column 'Amounts eliminated on consolidation'.

The BBC is governed by Royal Charter and an associated agreement with government. The Charter and agreement set out the BBC's accountability to Parliament for use of the public money it receives whilst at the same time preserving the BBC's independence on editorial policy and programming.

3. Staff costs

	Permanently employed staff	Others	Contract and agency staff	Ministers	Special advisors	Total
	£'000	£'000	£'000	£'000	£'000	£'000
2024-25	2,109,075	8,229	26,584	172	-	2,144,060
2023-24	2,016,646	7,106	27,925	228	-	2,051,905

Details of staff numbers and related costs (and relevant disclosures) are in the Staff Report in the Accountability section of the Annual Report (page 88). Total staff costs have increased from 2023-24 by £92.2m, driven by a £67.1m increase in expenditure for wages and salaries of which £45.0m is for the BBC.

4. Expenditure

4.1 Grants and subsidies to sponsored bodies

	2024-25		2023-24	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Grant-in-aid to ALBs	5,583,881	-	5,298,013	-
Grants and subsidies to public sector	-	705	-	1,088
Total: Grants and subsidies to sponsored bodies	5,583,881	705	5,298,013	1,088

4.1.1 Grant-in-Aid to ALBs

	2024-25	2024-25	2023-24
	Estimate	Outturn	Outturn
	£'000	£'000	£'000
Arts Council England	575,438	569,533	495,330
BBC PSB Group	3,836,450	3,836,450	3,674,531
British Film Institute	34,566	34,666	25,205
British Library (includes Public Lending Right)	133,212	135,792	127,815
British Museum	87,955	74,201	70,140
Churches Conservation Trust	2,939	2,997	2,955
Gambling Commission (for regulation of the National Lottery)	25,474	28,865	14,440
Gambling Commission (other)	275	275	-
Geffrye Museum Trust Limited (Museum of the Home)	1,651	1,938	1,945
Historic England	81,846	83,007	102,456
Horniman Public Museum and Public Park Trust	5,618	5,975	5,019
Imperial War Museum	32,675	33,253	33,572
National Citizen Service Trust	51,897	49,337	48,420
National Gallery	36,320	30,770	28,858
National Heritage Memorial Fund	50,775	30,000	18,000
Royal Museums Greenwich	25,830	26,899	21,395
National Museums Liverpool	25,023	25,835	29,569
National Portrait Gallery	7,695	10,986	10,985
Natural History Museum	85,557	89,317	68,588
Royal Armouries Museum	7,922	8,165	8,564
S4C	-	-	-
Science Museum Group	52,269	62,190	59,584
Sir John Soane's Museum	1,234	1,259	1,528
Sport England	330,087	179,815	191,983
Sports Grounds Safety Authority	2,084	1,689	1,711
Tate Gallery	51,018	53,903	50,792
UK Anti-Doping	9,157	9,247	9,101
UK Sport	83,962	85,182	81,797
Victoria and Albert Museum	55,463	56,239	56,934
Visit Britain	54,179	52,749	52,443
Wallace Collection	3,110	3,347	4,353
Total: Grant-in-Aid	5,751,681	5,583,881	5,298,013

Eight public bodies – classified or expected to be classified by Office for National Statistics to central government and sponsored by DCMS – have been consolidated into the 2024-25 DCMS group accounts at a summary level on the grounds of materiality rather than on a line-by-line basis (seven public bodies in the 2023-24 DCMS group accounts). These are the Churches Conservation Trust (CCT), Sports Grounds Safety Authority (SGSA), Horniman Public Museum and Public Park Trust (HMM), Royal Armouries Museum (RAM), Sir John Soane's Museum (SJS), Wallace Collection (WCO), UK Anti-Doping (UKAD) and Geffrye Museum (Museum of the Home) (GFF).

Arts Council England's (ACE) Grant-in-Aid increased in the current year due to the timing of grant payments varying with more claims falling into 2024-25 than 2023-24. ACE's budget was also larger in 2024-25 compared to 2023-24 as a result of specific one-off programme deliveries in the year.

4.2 Other grants

	2024-25		2023-24	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Capital grants	192,487	725,457	74,886	699,500
Current grants	224,029	2,003,038	236,053	2,080,786
Total: Other grants	416,516	2,728,495	310,939	2,780,286

In the core department capital grants have increased by £117.6m mainly as a result of an increase in Youth Investment Fund Capital Grants.

The HBLB prize money awarded in 2023-24 of £65.5m was included within current grants. The current year amounts are included within other expenditure in note 4.6; the accounts have not been restated.

The other material movements for current grants include, a reduction of £100.7m for the National Lottery Community Fund relating to the timing profiles of various grant programmes including Million Hours, Cost of Living and the Dormant Assets redistribution. There has also been an increase in grants from Sport England Lottery of £74.2m as this year was the decision year for a number of multi-year investment programmes and a reduction of £53.7m for the Arts Council Lottery as a result of grants being paid out as part of a four-year grant programme with more in the first year of programmes and less in latter years.

There were no grants (non-cash) in 2024-25 or 2023-24.

4.3 Purchase of goods and services

	2024-25		2023-24	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Professional services	31,341	154,064	34,013	140,629
Human resources	2,119	19,026	2,969	20,889
Marketing and media	83	16,418	154	17,878
Premises expenses	5,645	128,199	7,616	124,823
Business rates	-	3,800	-	(8,035)
Utilities	6	41,478	3	45,747
Rentals under operating leases	-	26	-	7
PFI service charges	-	-	-	699
IT maintenance and support	6,131	58,737	9,363	59,085
Travel and subsistence	1,673	22,467	1,382	20,074
Audit fees (statutory accounts) - cash	-	6,172	-	5,639
Expenses relating to short term liabilities	-	2,651	-	1,780
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	-	6,578	-	8,325
Variable lease payments not included in measurement of lease liabilities	-	201	-	175
Sub-total: cash items	46,998	459,817	55,500	437,715
Non-cash items				
Auditors' remuneration	640	640	620	620
Sub-total: non-cash items	640	640	620	620
Total: Purchase of goods and services	47,638	460,457	56,120	438,335

Professional services

Included within professional services is £14.7m of consultancy costs (2023-24: £15.2m).

Auditors' remuneration

Audit fees (cash) of £6.2m (2023-24: £5.6m) relates to the statutory audit of the ALBs.

Of the cash fees £5.9m (2023-24: £5.6m) was payable to the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (C&AG) and £298k (2023-24: £83k) payable to other auditors.

Notional non-cash auditors' remuneration for the cost of the audit of the group's accounts was £640k for the core department (2023-24: £620k).

In 2024-25 the core department did not purchase any non-audit services from its auditor, the C&AG (2023-24: £nil). The ALBs purchased £8k of non-audit services from other auditors (2023-24: £8k) and £70k from the NAO in the year (2023-24: £70k). Further details can be obtained from the accounts of the ALBs.

4.4 Depreciation, amortisation, impairment charge and expected credit loss

	2024-25		2023-24	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Depreciation	2,705	244,645	3,139	254,017
Depreciation on right of use assets	2,588	96,069	3,922	95,226
Amortisation	-	18,966	90	19,333
Impairments/(write backs)	10,812	20,800	(2,150)	6,927
Impairment on right of use assets	-	-	-	663
Expected credit loss	(5,148)	(4,531)	(29,829)	(29,475)
Depreciation, amortisation, expected credit loss and impairment charges - non-cash total	10,957	375,949	(24,828)	346,691

4.5 Provisions expense

	2024-25		2023-24	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Provisions:				
Unwinding of discount	-	23	-	30
Provided for/(released)	-	109,642	-	46,763
Provisions expense - non-cash total	-	109,665	-	46,793

The BBC has provided for £101.7m (2023-24: £38.6m) primarily relating to restructuring and dilapidations provisions.

4.6 Other operating expenditure

	2024-25		2023-24	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Broadcasting and media	-	2,736,895	-	2,674,585
Sport	-	28,695	-	22,657
Tourism	-	30,331	-	33,384
Ceremonial and cultural events	4,536	7,293	39,090	42,669
Historical and heritage	59,450	69,494	57,417	68,124
Museums, galleries, art & exhibits	256	77,614	5,604	89,673
Libraries	-	6,355	-	6,288
Interest payable	-	30,696	-	12,285
Early departure costs	-	94,148	-	34,925
HBLB prize money	-	65,679	-	-
Research & development (capital)	7,231	15,154	6,728	15,098
Other expenditure	3,305	22,280	(2,110)	(190,549)
Sub-total: cash items (excluding finance costs)	74,778	3,184,634	106,729	2,809,139
Non-cash items				
Interest on pension liabilities	-	9,563	-	(27,518)
(Profit)/loss on disposal of property, plant & equipment	-	(47,220)	(7,313)	937
(Profit)/loss on disposal of intangibles	-	34	-	-
Revaluations	-	13,543	-	58,405
Share of (profits)/losses on joint ventures and associates	-	-	-	7,351
Write offs/(write backs)	(31)	(6)	42	(376)
Unrealised foreign exchange rate (gains)/losses	-	-	-	(11)
Other non-cash charges	-	-	-	6
Sub-total: Non-cash items	(31)	(24,086)	(7,271)	38,794
Total: Other operating expenditure	74,747	3,160,548	99,458	2,847,933
Finance costs	594	52,555	789	53,166
Total: Other expenditure	75,341	3,213,103	100,247	2,901,099

The increase in broadcasting and media spend of £62.3m is primarily due to the BBC (£42.4m) due to 2024-25 being a major sports year for the BBC.

The decrease in ceremonial and cultural spend of £35.4m is mainly driven by a reduction in the core department spend of £34.6m due to the one-off cost of Coronation of Their Majesties King Charles III and Queen Camilla occurring in 2023-24.

Early departure costs have increased by £59.2m. This is primarily due to the BBC with expenditure increasing by £53.9m driven by a large-scale redundancy programme to increase efficiency across the organisation.

The profit on disposal of property, plant and equipment totalling £47.2m for the year was primarily driven by the British Library (£47.5m) related to a lease transaction at the St Pancras site and losses on disposal at other ALB's.

The increase in other costs of £212.8m is primarily due to a significant credit balance in other expenditure in 2023-24 which reflected the one-off tax rebate received by the BBC.

The HBLB prize money awarded in 2024-25 was £65.7m, (2023-24: £65.5m). The prior year amounts were included in Other Grants expenditure in note 4.2; the accounts have not been restated.

5. Income

5.1 Revenue from contracts with customers and current grant income

	2024-25		2023-24	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Goods and services	374	187,632	559	180,919
Rental income	43	14,893	30	26,865
Fees, charges and duties	48,506	82,011	48,838	103,165
Levies	-	109,401	-	105,303
Royalties	-	76,554	-	71,824
Charity Income - sponsorship and trading	-	97,183	-	94,572
Total income from contracts with customers	48,923	567,674	49,427	582,648
Current grant income	99,747	231,591	106,320	234,144
Total income from contracts with customers and current grants	148,670	799,265	155,747	816,792

Income from contracts with customers for the group totalled £567.7m in the year (2023-24: £582.6m). Of the total, the BBC comprises £229.9m (2023-24: £229.5m) of which £144.0m (2023-24: £137.0m) relates to broadcasting services, production income and subscription fees captured within goods and services and £75.0m (2023-24: £70.0m) relates to royalties.

Whereby statute or Treasury consent an entity is permitted to retain the revenue from taxation, fines and penalties, this revenue is treated as arising from a contract and accounted for under *IFRS 15 Revenue from contracts with customers*. This applies even though there are no associated performance obligation and levies, duties and legislative fees have been accounted for under IFRS 15. Fees include those relating to the Core Department of £48.5m (2023-24: £48.8m) largely due to the barter arrangement with the Royal Parks (the core department also incurs expenditure as set out in this arrangement with the Royal Parks).

Total Levy income for the year received by the Horserace Betting Levy Board (HBLB) was £109.4m (2023-24: £105.3m). HBLB is deemed to have a performance obligation to the bookmakers and betting exchange providers of collecting the statutory Levy and applying the funds for the purposes set out in the underlying legislation. This one performance obligation applies to all bookmakers and betting exchange providers who are required to make statutory Levy contributions and is settled over the course of the Levy year in a straight-line manner as HBLB performs this role. Levy income is therefore recognised on a straight-line basis evenly throughout the year based on estimates provided by the bookmakers and betting exchange providers. The transaction price is confirmed at the end of the Levy year when bookmakers and betting exchange providers submit their annual Forms of Declaration (FOD) which confirm the amount of Levy due for the year. Any under or over collection during the course of the year results in either a top up payment being made by the bookmaker or betting exchange provider or a refund owing by HBLB to the bookmaker or betting exchange provider.

During the 2024-25 financial year, the group received £231.6m (2023-24: £234.1m) of current grant income mainly attributable to the core department £99.7m (2023-24: £106.3m) and BBC £107.0m (2023-24: £112.0m).

5.1.1 Transaction price allocated to remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are (partially) unsatisfied at the reporting date:

	2025-26	2026-27	2027-28	2028-29	2029-30	2030 onwards
Revenue expected to be received	£'000	£'000	£'000	£'000	£'000	£'000
Broadcasting services	33,193	30,658	23,099	59,222	-	-

The department applies the practical expedient allowable by paragraph 121 of IFRS 15 and does not disclose information about the remaining performance obligations that have expected durations of one year or less. All reportable obligations are in relation to the broadcasting services contracts (BBC and BFI).

Further details of relevant policies in relation to performance obligations are disclosed in the BBC Group Financial Statements (note B3).

5.2 Other operating income

	2024-25		2023-24	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Lottery income	-	1,759,528	-	1,692,316
Capital grant income	32,507	69,602	19,828	46,423
Recoveries	(7)	14,200	167	5,284
Fees for licences and broadcast licences	28,782	28,782	14,440	14,440
Charity income - donations	-	178,020	-	186,175
Interest	953	98,255	1,001	79,543
Dividends	-	216,886	-	79,580
Charity income - other	-	84,929	-	69,166
Other operating income	2,553	208,389	11	146,331
Income of sub-leasing right-of-use assets	-	5,203	-	8,636
Sub-total: cash items	64,788	2,663,794	35,447	2,327,894
Non-cash items				
Profit/(loss) on disposal of assets:				
Investment properties	-	32,144	-	-
Financial assets	-	6,277	-	2,972
Inventories	-	2	-	4
Share of profit on joint ventures and associates	-	4,325	-	-
Revaluation of financial assets/liabilities	18,986	16,131	20,051	20,129
Charity income - asset donations	-	947,877	-	202,359
Other non-cash income	-	(134)	-	(43)
Sub-total: Non-cash items	18,986	1,006,622	20,051	225,421
Total: Other operating income	83,774	3,670,416	55,498	2,553,315

Significant movements in income

Lottery income – this increased by £67.2m due to higher lottery sales in 2024-25 than in 2023-24.

Dividends – £137.3m increase is largely driven by an increase in the dividends received by the BBC from its subsidiaries of £208.0m (2023-24: £72.9m).

Other Operating income – £62.1m increase is mainly due to an increase in income received from The National Lottery Community Fund due to an increase in relation to dormant asset income, £153.5m (2023-24: £100.1m).

Charity income asset donations – £745.5m increase is primarily from bequests of heritage assets to the British Museum of £915.5m (2023-24: £126.1m). In the prior year there was a large asset donation to the Victoria and Albert Museum of £47.5m.

6. Property, plant and equipment

	2024-25								
	Land	Buildings	Dwellings	Information technology	Plant & machinery	Furniture & fittings	Antiques, works of art & collections	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation									
At 1 April 2024	1,476,561	4,244,531	4,006	96,783	2,050,349	481,154	863	324,324	8,678,571
Additions	16,341	50,760	-	5,950	32,095	18,733	-	260,268	384,147
Disposals	(96,544)	(98,044)	(586)	(8,533)	(157,161)	(24,552)	-	(1,262)	(386,682)
Revaluations	28,368	(10,896)	113	773	19,140	6,316	-	1,184	44,998
Impairments	2	(6,618)	-	1	(2,153)	-	-	-	(8,768)
Reclassifications	3	3,521	(72)	1,706	68,004	4,090	-	(77,252)	-
Transfers (to)/from assets held for sale/intangibles/investment properties/heritage assets/right of use assets	(4,445)	63,362	-	(97)	(16,486)	28,665	-	(70,740)	259
At 31 March 2025	1,420,286	4,246,616	3,461	96,583	1,993,788	514,406	863	436,522	8,712,525
Depreciation									
At 1 April 2024	-	268,267	844	75,576	847,382	356,542	-	-	1,548,611
Charged in year	-	110,700	85	7,730	101,319	24,714	-	-	244,548
Disposals	-	(14,336)	(587)	(8,300)	(148,158)	(23,942)	-	-	(195,323)
Revaluations	-	(60,345)	(20)	44	(65,192)	3,239	-	-	(122,274))
Impairments	-	1,184	-	-	(65)	-	-	-	1,119
Reclassifications	-	242	(37)	-	(207)	2	-	-	-
Transfers (to)/from assets held for sale/intangibles/investment properties/heritage assets/right of use assets	-	476	-	(882)	406	-	-	-	-
At 31 March 2025	-	306,188	285	74,168	735,485	360,555	-	-	1,476,681
Carrying amount:									
31 March 2025	1,420,286	3,940,428	3,176	22,415	1,258,303	153,851	863	436,522	7,235,844
31 March 2024	1,476,561	3,976,264	3,162	21,207	1,202,967	124,612	863	324,324	7,129,960
Of which:									
Core department	1,124	51,400	-	534	8,731	837	-	-	62,626
Arm's length bodies	1,419,162	3,889,028	3,176	21,881	1,249,572	153,014	863	436,522	7,173,218
Carrying amount at 31 March 2025	1,420,286	3,940,428	3,176	22,415	1,258,303	153,851	863	436,522	7,235,844

6. Property, plant and equipment (continued)

	2023-24								
	Land	Buildings	Dwellings	Information technology	Plant & machinery	Furniture & fittings	Antiques, works of art & collections	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation									
At 1 April 2023	1,523,982	4,004,446	3,802	100,869	2,031,259	465,393	865	249,409	8,380,025
Additions	-	31,106	-	5,830	19,707	13,155	-	252,856	322,654
Donations	273	-	-	-	-	-	-	-	273
Disposals	-	(17,957)	(17)	(11,529)	(69,646)	(26,568)	-	(3,841)	(129,558)
Revaluations	(53,988)	163,281	221	(12)	5,165	6,104	-	250	121,021
Impairments	2	(10,270)	-	(1)	(1,305)	-	(2)	-	(11,576)
Reclassifications	-	42,478	-	114	59,940	13,851	-	(116,383)	-
Transfers (to)/from assets held for sale/intangibles/investment properties/heritage assets/right of use assets	6,292	31,447	-	1,512	5,229	9,219	-	(57,967)	(4,268)
At 31 March 2024	1,476,561	4,244,531	4,006	96,783	2,050,349	481,154	863	324,324	8,678,571
Depreciation									
At 1 April 2023	-	303,552	687	78,040	908,293	353,000	-	-	1,643,572
Charged in year	-	110,906	168	8,228	107,827	26,301	-	-	253,430
Disposals	-	(10,785)	(17)	(10,092)	(64,593)	(25,932)	-	-	(111,419)
Revaluations	-	(141,445)	6	(10)	(103,809)	3,419	-	-	(241,839)
Reclassifications	-	(2)	-	2	(5)	5	-	-	-
Transfers (to)/from assets held for sale/intangibles/investment properties/heritage assets/right of use assets	-	6,041	-	(592)	(331)	(251)	-	-	4,867
At 31 March 2024	-	268,267	844	75,576	847,382	356,542	-	-	1,548,611
Carrying amount:									
31 March 2024	1,476,561	3,976,264	3,162	21,207	1,202,967	124,612	863	324,324	7,129,960
31 March 2023	1,523,982	3,700,894	3,115	22,829	1,122,966	112,393	865	249,409	6,736,453
Of which:									
Core department	7,374	15,014	-	1,513	10,011	637	-	-	34,549
Arm's length bodies	1,469,187	3,961,250	3,162	19,694	1,192,956	123,975	863	324,324	7,095,411
Carrying amount at 31 March 2024	1,476,561	3,976,264	3,162	21,207	1,202,967	124,612	863	324,324	7,129,960

Land & buildings valuation

The professional valuations of land and buildings undertaken within the group were prepared in accordance with the RICS Red Book. Land and buildings are revalued every five years by independent property consultants and, where appropriate, carrying values are adjusted by the application of indices or through desktop valuations for which different indices are applied depending on the assets. Further information can be found in the individual financial statements of the ALBs. The core department's buildings were valued as at 31 March 2025

Some ALBs have valued their land and buildings at modified historical cost as a proxy for fair value, as it is considered not to be materially different to fair value.

The operational assets held by DCMS and its ALBs and used to deliver front line services and back-office functions (as both PPE and right of use assets) include a wide range of sites with specialised functions.

Apart from the BBC, the owned estate is predominantly accounted for by the value of land, buildings and plant and equipment for the museums, galleries and libraries, Historic England's operational non-heritage assets, and Sport England's National Sports Centres. These are all specialised assets for which there is no readily ascertainable market value in existing use.

In arriving at a current value in existing use, the vast majority of the group's owned assets are therefore valued using estimates of the present value of these asset's remaining service potential. In practice, this has meant that valuers have adopted a depreciated replacement cost methodology.

Of the BBC's owned and right of use land and buildings, approximately three quarters have been valued using either a comparable/capitalised rental approach or a depreciated replacement cost valuation to assess the fair value in existing use due to the specialised nature of these assets. Depreciated Replacement Cost is defined in RICS Global Standards as 'the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.' Details of the valuation method applied by the BBC are included in the accounting policies note 1.8.

The costs of the revalued assets, the specific methods of revaluation and information on restrictions on the revaluation surplus relating to museums property can be found in individual financial statements of the ALBs .

Information relating to asset purchases by government grant, donations or lottery funding can be found in individual financial statements of the ALBs.

Land

Land includes:

ALB Name	2024-25 £000's	2023-24 £000's
Tate Gallery	421,775	410,095
Natural History Museum	193,493	175,471
British Museum	184,874	185,059
British Library	139,190	217,520
Victoria and Albert Museum	124,302	124,292
National Gallery	114,700	114,700
Science Museum Group	98,244	98,007

Buildings

Buildings include:

ALB Name	2024-25 £000's	2023-24 £000's
Tate Gallery	652,751	646,510
British Museum	566,148	558,178
British Library	511,672	499,987
Natural History Museum	390,379	339,194
Victoria and Albert Museum	325,137	372,218
Science Museum Group	265,768	252,312
National Museums Liverpool	205,637	209,434
British Broadcasting Corporation	67,974	189,492
National Maritime Museum	178,228	175,095
Imperial War Museum	162,336	162,442
National Gallery	133,981	131,211
Sport England Exchequer	104,835	100,421
British Film Institute	90,706	91,396
Historic England	77,957	80,206
DCMS Core	51,400	15,014
Royal Armouries Museum	49,855	49,545

Plant & machinery

Plant & machinery includes:

ALB Name	2024-25 £000's	2023-24 £000's
British Library	315,704	249,782
Tate Gallery	239,787	258,138
British Broadcasting Corporation	222,580	217,625
British Museum	153,971	152,120
Science Museum Group	95,561	85,251
Natural History Museum	85,009	80,695
National Gallery	53,539	72,998
Imperial War Museum	41,777	36,646

Assets under construction

Assets under construction includes:

ALB Name	2024-25 £000's	2023-24 £000's
British Library	73,849	47,534
Victoria and Albert Museum	70,445	15,342
British Broadcasting Corporation	64,781	59,028
Science Museum Group	61,550	51,330
British Museum	54,033	35,281
National Gallery	52,927	25,411

7. Right of use Assets

	2024-25							
	Land	Buildings	Information technology	Plant & machinery	Furniture & fittings	Assets under construction	Other	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 April 2024	56,793	1,452,635	546	6,258	3,102	36,300	611	1,556,245
Additions	-	120,585	717	10,265	14	2,722	26	134,329
Disposals	(2,363)	(6,341)	(106)	(1,850)	-	-	(15)	(10,675)
Revaluations	(957)	(8,939)	-	-	44	-	-	(9,852)
Impairments	-	183	-	-	-	-	-	183
Reclassifications	1,075	(1,075)	-	-	-	-	-	-
Transfers (to)/from assets held for sale/intangibles/ investment properties/heritage assets/property, plant and equipment	-	(507)	-	-	-	-	-	(507)
At 31 March 2025	54,548	1,556,541	1,157	14,673	3,160	39,022	622	1,669,723
Depreciation								
At 1 April 2024	498	327,549	297	3,485	1,055	-	379	333,263
Charged in year	26	93,867	35	1,835	213	-	93	96,069
Disposals	-	(4,178)	(106)	(1,823)	-	-	(15)	(6,122)
Revaluations	-	616	-	-	7	-	-	623
At 31 March 2025	524	417,854	226	3,497	1,275	-	457	423,833
Carrying amount:								
31 March 2025	54,024	1,138,687	931	11,176	1,885	39,022	165	1,245,890
31 March 2024	56,295	1,125,086	249	2,773	2,047	36,300	232	1,222,982
Asset financing:								
Finance leased	54,024	1,138,687	931	11,176	1,885	39,022	165	1,245,890
Carrying amount at 31 March 2025	54,024	1,138,687	931	11,176	1,885	39,022	165	1,245,890
Of which:								
Core department	-	28,817	-	-	-	-	-	28,817
Arm's length bodies	54,024	1,109,870	931	11,176	1,885	39,022	165	1,217,073
Carrying amount at 31 March 2025	54,024	1,138,687	931	11,176	1,885	39,022	165	1,245,890

7. Right of use Assets (continued)

	2023-24							
	Land	Buildings	Information technology	Plant & machinery	Furniture & fittings	Assets under construction	Other	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 April 2023	63,020	1,379,078	687	7,818	3,158	29,180	617	1,483,558
Additions	100	82,358	-	1,905	-	7,120	-	91,483
Donations	-	44,987	-	-	-	-	-	44,987
Disposals	(148)	(18,817)	(141)	(3,465)	(4)	-	(6)	(22,581)
Revaluations	(3,487)	(40,077)	-	-	(52)	-	-	(43,616)
Impairments	-	(454)	-	-	-	-	-	(454)
Transfers (to)/from assets held for sale/intangibles/ investment properties/heritage assets/property, plant and equipment	(2,692)	5,560	-	-	-	-	-	2,868
At 31 March 2024	56,793	1,452,635	546	6,258	3,102	36,300	611	1,556,245
Depreciation								
At 1 April 2023	906	245,572	350	5,642	-	-	275	252,745
Charged in year	101	93,662	88	1,265	-	-	110	95,226
Disposals	-	(6,071)	(141)	(3,422)	-	-	(6)	(9,640)
Revaluations	-	(470)	-	-	(5)	-	-	(475)
Reclassifications	-	(1,060)	-	-	1,060	-	-	-
Transfers (to)/from assets held for sale/intangibles/ investment properties/heritage assets/property, plant and equipment	(509)	(4,084)	-	-	-	-	-	(4,593)
At 31 March 2024	498	327,549	297	3,485	1,055	-	379	333,263
Carrying amount:								
31 March 2024	56,295	1,125,086	249	2,773	2,047	36,300	232	1,222,982
31 March 2023	62,114	1,133,506	337	2,176	3,158	29,180	342	1,230,813
Asset financing:								
Finance leased	56,295	1,125,086	249	2,773	2,047	36,300	232	1,222,982
Carrying amount at 31 March 2024	56,295	1,125,086	249	2,773	2,047	36,300	232	1,222,982
Of which:								
Core department	-	31,598	-	-	-	-	-	31,598
Arm's length bodies	56,295	1,093,488	249	2,773	2,047	36,300	232	1,191,384
Carrying amount at 31 March 2024	56,295	1,125,086	249	2,773	2,047	36,300	232	1,222,982

See note 6 Property, plant and equipment, and note 1.8 for the valuation methods undertaken within the group.

Of the BBC's owned and right of use land and buildings, approximately three quarters have been valued using either a comparable/capitalised rental approach or a depreciated replacement cost valuation due to the specialised nature of these assets.

Buildings

Buildings include the BBC with a carrying value of £862.2m (2023-24 £842.3m); Victoria and Albert Museum of £107.2m (2023-24 £109.0m) and National Museums Liverpool of £43.6m (2023-24 £44.0m).

The cost model is used as a proxy for current value in existing use or fair value in all classes of assets as allowed under the IFRS 16 application guidance. Cost is not used as a good proxy in the following circumstances:

- A longer-term lease has no terms that require lease payments to be updated for market conditions (such as rent reviews), or if there is a significant period of time between those updates; and
- The fair value or current value in existing use of the underlying asset is likely to fluctuate significantly due to changes in market prices.

Those assets where cost is not a proxy are revalued with revaluations movements on these assets included within our accounts.

8. Heritage assets

The heritage assets owned by the group are split between land, buildings and other (which includes antiques, works of art and scientific and natural history collections) as shown in the table below. Further analysis of the heritage assets is included in note 8.1.

	2024-25			
	Land	Buildings	Other	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 April 2024	3,792	62,429	1,786,131	1,852,352
Additions	-	-	16,993	16,993
Donations	-	-	947,868	947,868
Disposals	-	-	(114)	(114)
Revaluations	-	736	1,618	2,354
Impairments	-	26	-	26
At 31 March 2025	3,792	63,191	2,752,496	2,819,479
Depreciation				
At 1 April 2024	-	-	673	673
Charged in year	-	-	97	97
At 31 March 2025	-	-	770	770
Carrying amount:				
31 March 2025	3,792	63,191	2,751,726	2,818,709
31 March 2024	3,792	62,429	1,785,458	1,851,679
Asset financing:				
Owned	3,792	63,191	2,751,726	2,818,709
Carrying amount at 31 March 2025	3,792	63,191	2,751,726	2,818,709
Of which:				
Core department	-	-	18,886	18,886
Arm's length bodies	3,792	63,191	2,732,840	2,799,823
Carrying amount at 31 March 2025	3,792	63,191	2,751,726	2,818,709

8. Heritage Assets (continued)

	2023-24			
	Land	Buildings	Other	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 April 2023	3,600	61,880	1,556,529	1,622,009
Additions	-	93	64,984	65,077
Donations	192	-	156,710	156,902
Disposals	-	(296)	(1,169)	(1,465)
Revaluations	-	726	8,976	9,702
Impairments	-	26	-	26
Transfers (to)/from property, plant & equipment/assets held for sale/intangibles	-	-	101	101
At 31 March 2024	3,792	62,429	1,786,131	1,852,352
Depreciation				
At 1 April 2023	-	660	86	746
Charged in year	-	-	587	587
Revaluations	-	(660)	-	(660)
At 31 March 2024	-	-	673	673
Carrying amount:				
31 March 2024	3,792	62,429	1,785,458	1,851,679
31 March 2023	3,600	61,220	1,556,443	1,621,263
Asset financing:				
Owned	3,792	62,429	1,785,458	1,851,679
Carrying amount at 31 March 2024	3,792	62,429	1,785,458	1,851,679
Of which:				
Core department	-	-	18,236	18,236
Arm's length bodies	3,792	62,429	1,767,222	1,833,443
Carrying amount at 31 March 2024	3,792	62,429	1,785,458	1,851,679

8.1 Heritage assets

	2024-25				
	Non-operational		Operational		Total heritage assets
	At cost	At valuation	At cost	At valuation	
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
Balance at 1 April 2024	525,967	1,234,372	54,231	37,782	1,852,352
Additions	15,555	740	698	-	16,993
Donations	2,124	945,744	-	-	947,868
Disposals	(114)	-	-	-	(114)
Impairments	-	-	-	26	26
Revaluations	-	1,628	-	726	2,354
Balance at 31 March 2025	543,532	2,182,484	54,929	38,534	2,819,479
Depreciation					
Balance at 1 April 2024	-	-	673	-	673
Charged in year	-	-	97	-	97
Balance at 31 March 2025	-	-	770	-	770
Net book value at 31 March 2025	543,532	2,182,484	54,159	38,534	2,818,709
Of which:					
Core department	9,155	9,081	650	-	18,886
Arm's length bodies	534,377	2,173,403	53,509	38,534	2,799,823
Net book value at 31 March 2025	543,532	2,182,484	54,159	38,534	2,818,709

	2023-24				
	Non-operational		Operational		Total heritage assets
	At cost	At valuation	At cost	At valuation	
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
Balance at 1 April 2023	472,596	1,067,477	44,420	37,516	1,622,009
Additions	52,925	1,995	10,157	-	65,077
Donations	508	156,394	-	-	156,902
Disposals	(107)	(1,062)	(296)	-	(1,465)
Impairments	-	23	-	3	26
Transfers (to)/from property, plant & equipment/ assets held for sale/intangibles	-	151	(50)	-	101
Revaluations	45	9,394	-	263	9,702
Balance at 31 March 2024	525,967	1,234,372	54,231	37,782	1,852,352
Depreciation					
Balance at 1 April 2023	-	-	746	-	746
Charged in year	-	-	587	-	587
Revaluations	-	-	(660)	-	(660)
Balance at 31 March 2024	-	-	673	-	673
Net book value at 31 March 2024	525,967	1,234,372	53,558	37,782	1,851,679
Of which:					
Core department	9,155	9,081	-	-	18,236
Arm's length bodies	516,812	1,225,291	53,558	37,782	1,833,443
Net book value at 31 March 2024	525,967	1,234,372	53,558	37,782	1,851,679

Summary of heritage asset transactions	2024-25	2023-24	2022-23	2021-22	2020-21
	£'000	£'000	£'000	£'000	£'000
Purchased assets	16,993	65,077	16,846	13,897	22,133
Donated assets	947,868	156,902	16,938	31,672	27,133
Disposals	(114)	(1,465)	(494)	-	(12)
Impairments	26	26	(40,751)	104	(465)

Classification

Heritage assets are classified under the FReM as either:

- Non-operational heritage assets, which are held for the maintenance of the country's heritage;
- Operational heritage assets, which are held for the maintenance of the country's heritage and are also used for other activities, or to provide other services.

Non-operational and operational heritage assets within the SoFP are split between heritage assets held at cost and held at valuation. For more detailed information on heritage assets, please refer to the financial statements of the individual ALBs listed at note 24.

8.1.1 Non-operational heritage assets

Non-operational heritage assets acquired by the group prior to 1 April 2001 have not been valued and are not therefore included in the SoFP. The cost of valuing these assets is considered to be prohibitive and is not commensurate to the benefits, due to the size of the collections and/or the assets' uniqueness.

Department

The department's non-operational heritage assets include the Government Art Collection, other arts and antiques collections, land, buildings and monuments.

The majority of non-operational heritage assets held are not capitalised, because valuation information cannot be obtained at a cost commensurate with the benefits to users of the accounts; the market value would not be a true reflection of the value of the asset to the nation's heritage; the asset, if lost, could not

be replaced or reconstructed.

Government Art Collection (GAC)

The GAC's major works include paintings by Van Dyck, L. S. Lowry, Edward Lear, William Hogarth, Thomas Gainsborough, Lucian Freud, W.R. Sickert and sculptures by Henry Moore, Jacob Epstein and Barbara Hepworth. Purchased additions to the GAC have been included at cost in the SoFP from 1 April 2000. Assets acquired prior to 1 April 2000 and donations to the GAC are not capitalised as the cost of obtaining valuations for these assets is not commensurate to the benefits.

Land, buildings, and monuments

The Secretary of State has responsibility for Royal Estate properties in England governed by the Crown Lands Act 1851 and subsequent legislation. This responsibility is discharged through a series of management agreements:

- The Secretary of State has a contract with The Royal Parks Limited for the provision of maintenance and management of the Royal Parks; including 114 heritage assets. These assets consisted of statues, fountains, bridges, walls, bandstands, historic gates and monuments such as Albert Memorial in Kensington Gardens and the 7 July Memorial in Hyde Park.
- The Historic Royal Palaces in England (Hampton Court Palace, Kew Palace, the Tower of London, the Whitehall Banqueting House and most of Kensington Palace) are managed by the Historic Royal Palaces Trust, which has a contract to manage the palaces and provide education and visitor services in return for the rights to retain admission charges to these sites.
- The occupied royal palaces in England (Buckingham Palace, St James' Palace, Windsor Castle and some other smaller properties) are managed by the Royal Household. From 1 April 2012, although the Secretary of State retains legal responsibility for these properties, this funding has been aggregated with the Civil List into the Sovereign Grant paid by HM Treasury under the Sovereign Grant Act 2011.
- Marlborough House, used as the home of the Commonwealth Secretariat, is maintained by the Royal Household under an ongoing grant agreement.

The Secretary of State is also the owner of land, buildings, monuments and sites of heritage interest acquired by the Office of Works and its successors using exchequer funding or as a result of specific statutes such as the Wellington Museum Act 1947 and other Crown Lands Acts.

Under Section 34 of the National Heritage Act 1983, management responsibility is vested in the Historic Buildings and Monuments Commission for England (Historic England). There are close to 100 such properties, plus some 250 properties under the Secretary of State's guardianship (for which the freehold remains with private owners). The department also owns freeholds adjacent to some sites under guardianship, used for purposes ancillary to public access such as car parks.

The following (based on visitor numbers) are of particular importance:

- Stonehenge
- Dover Castle
- Hadrian's Wall
- Osborne House
- Tintagel Castle
- Kenwood House
- Audley End House
- Whitby Abbey
- Carisbrooke Castle
- Kenilworth Castle

Arm's Length Bodies

The group owns a wide range of non-operational heritage assets. Further details are recorded in the respective ALBs annual report and accounts (see note 24), the following illustrate the scope of these including the cost and valuation of items held on the Statement of Financial Position and narrative for the entire collections which included items on and off the Statement of Financial Position.

The British Museum held non-operational heritage assets at cost £39.1m as at 31 March 2025 (31 March 2024: £37.9m) and at valuation of £1,116.9m as at 31 March 2025 (31 March 2024: £201.4m). The British Museum collection is a global one, and its great strength is the way it records the interrelated histories of humanity as a whole. The collection is estimated to contain about eight million objects. Valuations are performed during the year of acquisition by internal curatorial experts based on their expert knowledge and, where appropriate, with reference to recent sales of similar objects.

The Tate Gallery held non-operational heritage assets at cost of £183.2m as at 31 March 2025 (31 March 2024: £179.5m) and at valuation of £422.9m as at 31 March 2025 (£408.4m as at 31 March 2024). Tate Gallery holds the National Collection of British Art from the 1500s and international modern and contemporary art from the 1900s. The collection embraces all media from painting, drawing, sculpture and prints, to photography, video and film, installation and performance. The collection currently consists of 77,340 works of art. Tate Gallery also houses the National Archive of British Art from 1900. The Tate Gallery Archive contains manuscripts, notebooks, sketches, prints, documentation and supporting material. Where works of art are included at valuation, external valuations are used where available, and where this isn't the case, the assets are valued internally by Tate staff. These staff members are considered to be industry experts and therefore are able to assign values based on their expert knowledge.

The National Gallery held non-operational heritage assets at a cost of £117.9m as at 31 March 2025 (31 March 2024: £110.8m) and at valuation of £301.4m as at 31 March 2025 (31 March 2024: £295.8m). The National Gallery houses one of the greatest collections of Western European paintings in the world. The collection contains over 2,300 works, including many iconic masterpieces and the work of some of the greatest painters. Where heritage assets have been acquired under the Acceptance in Lieu Scheme or Cultural Gifts Scheme, valuations are provided by the Arts Council England. Where assets have been donated, valuations have been performed by the Gallery's curators, who are recognised experts in their fields, or by external valuers.

The Victoria and Albert Museum held non-operational heritage assets at cost of £40.4m as at 31 March 2025 (31 March 2024: £37.5m) and at valuation of £113.7m as at 31 March 2025 (31 March 2024: £107.4m). The Victoria and Albert Museum is the leading international museum of art and design, with approximately 1.7 million objects and works of art, 1.1 million library items and 1,209 archives in its collections. Items held at valuation are valued by the curators of the museum, based on their expert knowledge.

The National Maritime Museum held non-operational heritage assets at cost of £25.4m as at 31 March 2025 (31 March 2024: £23.3m) and at valuation of £80.3m as at 31 March 2025 (31 March 2024: £80.3m). The National Maritime Museum has the most important holdings in the world related to Britain at sea and the collection comprises some 3 million items. Items held at valuation are valued by curators based on their knowledge, and market value where available.

The British Library held non-operational heritage assets at cost of £49.6m as at 31 March 2025 (31 March 2024: £49.4m) and at valuation of £35.6m as at 31 March 2025 (31 March 2024: £35.5m). The British Library is the national library of the UK and one of the world's greatest research libraries. The British Library is one of the six legal deposit libraries of the UK and it receives copies of all publications produced in the UK and the Republic of Ireland. The assets held at valuation reflect valuations made as part of the acquisition process. For purchased items heritage assets are recorded at the acquisition value. If the item has been donated by the Assets in Lieu of tax scheme the valuation is either provided or internal expertise is used to place a value on the item if there is no readily available market.

The National Portrait Gallery held non-operational heritage assets at cost of £52.0m as at 31 March 2025 (31 March 2024: £51.8m) and at valuation of £15.0m as at 31 March 2025 (31 March 2024: £13.2m).

The National Portrait Gallery holds three collections; a primary collection mainly consisting of paintings, sculptures, miniatures, photographs and silhouettes, a reference collection containing more than 335,000 images and a photographs collection consisting of more than 250,000 original photographic images. 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.

Historic England has responsibility for the National Collection of buildings, monuments and sites. Since 1 April 2015, they are managed by Historic England's charitable subsidiary, The English Heritage Trust, using a mixture of Grant-in-Aid funding and self-generated income.

8.1.2 Operational heritage assets

Where operational heritage assets have not been included in the SoFP, it is due to the prohibitive cost of valuing these assets, which is a reflection of the size of the collections and/or the assets uniqueness.

Department

The department holds the freehold to Somerset House, an operational heritage asset held at £nil value.

The Somerset House Trust, a private company limited by guarantee and a registered charity, was established in 1997 to conserve and develop Somerset House and the open spaces around it to the public. The department manages the government's freehold interest in Somerset House and ensures the Somerset House Trust fulfils the terms of its lease, which it holds until 2125.

8.1.3 Acquisition, preservation, management and disposal policies

Department

The government is committed to setting an example in the conservation of its historic estate, emphasising the importance of preventative maintenance as part of an integrated approach to the historic environment. The requirement for quadrennial condition surveys and a planned programme of repairs and maintenance for historic buildings is set out in the 'Protocol for the Care of the Government Historic Estate'. This protocol requires departments and agencies to nominate a Departmental Conservation Officer to monitor conservation activity and liaise with the Government Historic Estates Unit (GHEU). GHEU is a team in Historic England providing advice and guidance at a national level to government departments and agencies, as well as other public bodies.

With the exception of Somerset House, and those non-operational assets listed in note 8.1.1, Historic England (via its charitable subsidiary, The English Heritage Trust) manages all the sites on behalf of the department. Historic England is obliged by the National Heritage Act 1983 "to secure the preservation of ancient monuments and historic buildings in England (including UK territorial waters adjacent to England)". In addition, the department agrees with Historic England a strategy for the conservation and maintenance of the sites.

The Government Art Collection (GAC) is part of the department that funds collection, maintenance and management. Other departments provide additional funding for major site-specific commissions for new or refurbished buildings. Works of art are displayed in approximately 400 Government buildings in the UK and abroad. This includes 10 Downing Street, Lancaster House, main Whitehall departments, diplomatic posts abroad, embassies, residences, high commissions and consulates-general in most countries.

More details of the asset management undertaken by Government Art Collection can be found on their website: <https://www.artcollection.culture.gov.uk/reports/>

Arm's length bodies

The ALBs have detailed documented procedures in relation to acquisitions and disposals. These acquisitions and disposals take into account relevant guidelines and require the approval of the ALBs board. There are restrictions placed on ALBs in relation to the disposal of heritage assets, a significant exception is where an item has deteriorated beyond usefulness for the purpose of the relevant collection. The relevant ALBs have established standards of care, which generally follow codes of practice for the

preservation of collections. These policies and procedures are regularly reviewed. Conservation work includes assessment of the collection, preventive conservation (through environmental and light control), preventive maintenance and minor treatment. For further details of their acquisition, preservation, management and disposal policies please refer to the individual financial statements of the ALBs (see note 24).

8.1.4 Heritage assets: records maintained and access

Department

The GAC maintains a physical and online database of its collection. The GAC places works of art in major government buildings in the UK and around the world to promote British art, culture and history and, as a result, the public's access is limited.

Arm's length bodies

Collection databases are maintained physically or online by the relevant ALBs. Most of these ALBs have a major part of their collections on public display, free of charge. For further details of the records maintained and the extent to which heritage assets can be accessed please refer to the individual financial statements of the ALBs.

8.1.5 Donations of heritage assets

Donated assets of £947.9m were received in 2024-25 (2023-24: £156.9m). Donated assets include assets bequeathed to the British Museum, a collection of 1,689 Chinese ceramics, glass and a handscroll donated by the Sir Percival David Foundation (SPDF), valued at £915.5m.

9. Intangible assets

	2024-25			
	Licences	Websites	Development expenditure	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 April 2024	202,505	13,095	31,529	247,129
Additions	11,407	735	7,219	19,361
Disposals	(13,563)	(580)	(3,375)	(17,518)
Revaluations	2	5	73	80
Impairments	-	-	(371)	(371)
Reclassifications	988	(412)	(576)	-
Transfers (to)/from property, plant & equipment/right of use assets	5	-	199	204
At 31 March 2025	201,344	12,843	34,698	248,885
Amortisation				
At 1 April 2024	150,407	8,843	18,321	177,571
Charged in year	13,368	1,307	4,291	18,966
Disposals	(13,507)	(559)	(3,325)	(17,391)
Revaluations	(9)	2	60	53
At 31 March 2025	150,259	9,593	19,347	179,199
Carrying amount:				
31 March 2025	51,085	3,250	15,351	69,686
31 March 2024	52,098	4,252	13,208	69,558
Asset financing:				
Owned	51,085	3,250	15,351	69,686
Carrying amount at 31 March 2025	51,085	3,250	15,351	69,686
Of which:				
Arm's length bodies	51,085	3,250	15,351	69,686
Carrying amount at 31 March 2025	51,085	3,250	15,351	69,686

9. Intangible assets (continued)

	2023-24			
	Licences	Websites	Development expenditure	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 April 2023	200,232	11,078	31,956	243,266
Additions	13,104	1,112	6,379	20,595
Disposals	(13,070)	(495)	(3,637)	(17,202)
Revaluations	(1)	23	(23)	(1)
Impairments	-	-	(1,621)	(1,621)
Reclassifications	(9)	-	9	-
Transfers (to)/from property, plant & equipment/right of use assets	2,249	1,377	(1,534)	2,092
At 31 March 2024	202,505	13,095	31,529	247,129
Amortisation				
At 1 April 2023	148,244	7,623	15,830	171,697
Charged in year	14,541	1,344	3,448	19,333
Disposals	(12,264)	(495)	(681)	(13,440)
Revaluations	(1)	5	(19)	(15)
Impairments	-	-	(264)	(264)
Reclassifications	(7)	-	7	-
Transfers (to)/from property, plant & equipment/right of use assets	(106)	366	-	260
At 31 March 2024	150,407	8,843	18,321	177,571
Carrying amount:				
31 March 2024	52,098	4,252	13,208	69,558
31 March 2023	51,988	3,455	16,126	71,569
Asset financing:				
Owned	52,098	4,252	13,208	69,558
Carrying amount at 31 March 2024	52,098	4,252	13,208	69,558
Of which:				
Arm's length bodies	52,098	4,252	13,208	69,558
Carrying amount at 31 March 2024	52,098	4,252	13,208	69,558

The BBC held £42.5m of intangible software licences as at 31 March 2025 (31 March 2024: £42.9m).

10. Financial instruments

	Note	31 March 2025		31 March 2024	
		Core department	Departmental group	Core department	Departmental group
		£'000	£'000	£'000	£'000
Financial assets					
Amortised costs					
Cash and cash equivalents	14	107,537	3,043,277	91,412	2,914,718
Trade and other receivables	13	861	530,720	43,665	490,479
Contract assets		-	1,226	-	1,013
Loans	11, 13	365,855	997,378	384,377	1,029,672
Deposits	11	-	32,138	-	23,659
		474,253	4,604,739	519,454	4,459,541
Fair value through other comprehensive income					
Equity investments excluding investment in subsidiaries	11	-	481,583	-	464,364
Investment in subsidiaries	11	-	2,431,639	-	2,834,818
		-	2,913,222	-	3,299,182
Fair value through profit or loss					
Derivative financial instrument assets	11	-	310,972	-	343,842
Other financial assets (FI non derivative through profit or loss)	11	-	31,074	-	10,022
		-	342,046	-	353,864
Financial liabilities					
Fair value through profit or loss					
Derivative financial instrument liabilities	18	-	(462,993)	-	(484,426)
Financial liabilities at amortised cost					
Payables including contract liabilities	15	(14,053)	(3,904,699)	(14,998)	(4,054,748)
Lease liabilities	17	(40,607)	(1,804,292)	(43,829)	(1,828,450)
Other financial liabilities	18	-	(4,894)	-	(6,053)
Total financial liabilities		(54,660)	(6,176,878)	(58,827)	(6,373,677)
Total net financial assets/ (liabilities)		419,593	1,683,129	460,627	1,738,910

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The amounts disclosed above as payables and receivables therefore exclude any assets or liabilities, which do not result from a contractual arrangement.

The group's financial instruments, other than derivatives used for risk management purposes, comprise cash and cash equivalents, borrowings and other financial assets and liabilities including trade receivables and payables, that arise directly from operations, or to partially fund future operations. The group finances part of its operations from these financial instruments. The group does not undertake speculative financial transactions. There is a risk averse approach to the management of foreign currency trading.

The group has not reclassified any financial assets within the year.

The group has not derecognised any material equity investments within the year.

No material cumulative gains or losses between reserves have occurred within the year. Transfers between reserves are included within the SoCTE.

Derivative financial instrument assets and financial instrument liabilities held by the BBC, further

information is included in note 10.5.

The group has no financial instruments that are offset. The group has not pledged collateral for these financial liabilities. The group has no loans or other borrowings payable other than those disclosed in note 15.

10.1 Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk largely arises from cash and cash equivalents, derivative financial instruments, equity investments, other financial assets and trade and other receivables. The group's maximum exposure to credit risk is limited to the value of these assets. The credit risk management policy in relation to trade receivables involves regularly assessing the financial reliability of customers, considering their financial position and historical credit risk.

The group assesses credit risk when setting the expected credit loss forward looking analysis which is expected to include macroeconomic assessments, historical data and fund managers where required for these assets. It has an immaterial expected credit loss on the assets that it holds and therefore has assessed the level of credit risk as low. It has an immaterial expectation of defaults, which it expects to be deemed as a failure to fulfil an obligation, especially to repay a loan or appear in a law court. It expects assets to be written off when it is no longer possible to recover the asset.

The changes in amortised cost assets are explained in their respective notes but are not as a result of material changes to credit risk assessments within the year.

The loan commitments have had immaterial expected credit loss allowances included within the valuations above representing the group's review of the credit risk of these assets. Further information on these assets are included within note 11.

Lottery Bodies' cash holdings are predominantly held by the National Lottery Distribution Fund. Other deposits and cash holdings are held with the Government Banking Service or approved UK banks and are spread across institutions.

There were a number of COVID-19 support packages issued in 2020-21 and 2021-22, which include loans to external bodies. The loans are regularly assessed for credit risk by considering reasonable and supportable information that is relevant and available without undue cost or effort when determining whether credit risk has increased significantly since initial recognition.

Transactions involving derivative financial instruments are entered into only with reputable banks, the credit ratings of which are considered to minimise credit risk.

10.2 Market risk (currency and other price risks)

The department and the group are principally domestic organisations with the majority of transactions, assets and liabilities arising in the UK and being sterling based. However, the group undertake some transactions in currencies other than sterling. Due to movements in exchange rates over time, the amount the group expects to receive or pay when it enters into a transaction may differ from the amount that it actually receives or pays when it settles the transaction.

The BBC are impacted by market risk and take a risk averse approach to the management of currency risk. They have implemented clear policy parameters utilising forward foreign currency contracts to minimise volatility in the financial results. A substantial proportion of the BBC Group's material net foreign currency exposures are economically hedged. The impacts of such transactions are not significant to the group, beyond the BBC.

10.3 Interest rate risk

The group's main exposure to interest rate fluctuations arises on external borrowings, which are predominantly undertaken by BBC Commercial Limited. By taking out a range of interest rate swaps, the BBC has mitigated underlying exposure to interest rate fluctuations and hence no sensitivity analysis has been presented as any potential variation is insignificant.

10.4 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. As the cash requirements of the group are largely met through the Parliamentary Estimates process, there is minimal liquidity risk.

The BBC is subject to limits on its borrowings set by the Secretary of State in accordance with the agreement between the BBC and DCMS. In order to comply with these limits, together with the terms of any individual debt instruments, the BBC's treasury function manages the BBC's borrowings by regularly monitoring the BBC's cash flow forecasts. The BBC holds its surplus liquidity in term deposit accounts with highly rated financial institutions.

The bank loans of the BBC's commercial operations are subject to debt covenants based on the group's earnings before interest and taxation. The covenants are in respect of net borrowings and net interest coverage. The BBC is active in the monitoring of its debt covenants, which have been met at 31 March 2025.

The majority of funding for Arts Council of England Lottery, British Film Institute Lottery, National Lottery Community Fund, National Lottery Heritage Fund, Sport England Lottery and UK Sport Lottery comes from the National Lottery. This liquidity risk is minimised by holding significant amounts of liquid assets and through cash-flow forecasting. Forward projections of lottery income are provided to these ALBs by the department and used to inform the distributors' decisions on forward grant commitments.

The Horserace Betting Levy Board is wholly funded by levy and the Gambling Commission is largely funded by the National Lottery and licence rather than through parliamentary funding. They mitigate this risk by monitoring cash requirements and holding sufficient amounts of cash and cash equivalents to meet their requirements.

10.5 Financial instruments – fair value hierarchy

The table below analyses financial instruments carried at fair value by the hierarchy set out in *IFRS 13 Fair Value Measurement*. The different levels are defined as follows:

- Level 1 – uses quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – uses inputs for the assets or liabilities other than quoted prices that are observable either directly or indirectly.
- Level 3 – uses inputs for the assets or liabilities that are not based on observable market data, such as internal models or other valuation method.

	31 March 2025				31 March 2024			
	Level 1	Level 2	Level 3	Total	Level 1 restated	Level 2 restated	Level 3	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Financial assets								
<i>Fair value through OCI</i>								
Equity investments excluding investment in subsidiaries	243,928	237,655	-	481,583	228,370	235,994	-	464,364
Investment in subsidiaries	-	-	2,431,639	2,431,639	-	-	2,834,818	2,834,818
Total fair value through OCI financial assets	243,928	237,655	2,431,639	2,913,222	228,370	235,994	2,834,818	3,299,182
<i>Fair value through profit or loss</i>								
Derivative financial instrument assets	432	310,540	-	310,972	794	343,048	-	343,842
Other financial assets (FI non derivative through profit or loss)	-	22,592	8,482	31,074	-	-	10,022	10,022
Total financial assets: fair value through profit or loss	432	333,132	8,482	342,046	794	343,048	10,022	353,864
Total financial assets measured at fair value	244,360	570,787	2,440,121	3,255,268	229,164	579,042	2,844,840	3,653,046
Of which:								
Core department	-	-	-	-	-	-	-	-
Arm's length bodies	244,360	570,787	2,440,121	3,255,268	229,164	579,042	2,844,840	3,653,046
Total financial assets measured at fair value	244,360	570,787	2,440,121	3,255,268	229,164	579,042	2,844,840	3,653,046
Financial liabilities								
<i>Fair value through profit or loss</i>								
Derivative financial instrument liabilities	(1,709)	(461,284)	-	(462,993)	(2,797)	(481,629)	-	(484,426)
Total financial liabilities measured at fair value	(1,709)	(461,284)	-	(462,993)	(2,797)	(481,629)	-	(484,426)
Of which:								
Core department	-	-	-	-	-	-	-	-
Arm's length bodies	(1,709)	(461,284)	-	(462,993)	(2,797)	(481,629)	-	(484,426)
Total financial liabilities measured at fair value	(1,709)	(461,284)	-	(462,993)	(2,797)	(481,629)	-	(484,426)

Within the year we have identified that investments were misclassified across levels. We have therefore restated the 2023-24 figures to correctly reallocate £224.8m of equity investments excluding investment in subsidiaries. Adjustments have been made to reduce the level 1 investments from £453.2m to £228.4m and increasing the level 2 investments from £11.2m to £236.0m. Adjustments within the hierarchy have no impact on the total assets held. There were no transfers between level 1 and 2 during the year.

Specific valuation techniques used to value financial instruments include:

- quoted market prices or dealer quotes for similar instruments;
- Within Equity investments excluding investment in subsidiaries (level 2) includes investment funds held with external fund managers, these are valued as appropriately at year end by these fund managers using the valuation of underlying assets within the funds.
- the fair value of interest rate swaps, calculated as the present value of the estimated future cash flows based on observable yield curves;
- the fair value of forward foreign exchange contracts is determined using forward exchange rate at the reporting date, with the resulting value discounted back to present value; and
- other techniques are used, such as discounted cash flow analysis or, for non-quoted ordinary shares that are not actively traded, the net assets of the company or historic cost. These are classified as level 3.

BBC derivatives

The BBC hold forward foreign currency contracts and cash flow swaps classified as Level 1 and Level 2 instruments representing derivative financial assets of £311.0m (2023-24: £343.8m) and derivative financial liabilities of £463.0m (2023-24: £484.4m) mainly relating to the refinancing of London Broadcasting House. The swaps expire between 2033 and 2045, and are valued with reference to relevant SONIA and Retail Price Index yield curves, subject to appropriate credit risk adjustments.

An adjustment of 217 basis points is applied to a specific leg of the swaps to reflect credit risk as the arrangement with the counterparty is not collateralised. These assumptions and inputs are reviewed on an annual basis, along with the completion of sensitivity analysis. If another adjustment of 231 basis points (an alternative index) had been used to reflect a reasonably possible change based on market movements during the year, then this would result in a decrease in the net liability of £5.0m.

During the prior year an adjustment of 214 basis points was applied to a specific leg of the swaps to reflect credit risk as the arrangement with the counterparty is not collateralised. If an alternative adjustment of 228 basis points had been used to reflect a reasonably possible change based on market movements during the year, then this would have resulted in a decrease in the net liability of £6.0m.

The following table presents the changes in level 3 instruments for the year ended 31 March 2025:

	Investment in subsidiaries	Other financial assets (FI non derivative through profit or loss)	Total financial assets
	£'000	£'000	£'000
Balance at 1 April 2023	2,087,910	11,541	2,099,451
Additions	118	13,291	13,409
Repayments/disposals	(152)	(4,567)	(4,719)
Gains and losses recognised in the CSocNE	746,942	(10,243)	736,699
Balance at 31 March 2024	2,834,818	10,022	2,844,840
Additions	-	14,667	14,667
Repayments/disposals	-	(3,166)	(3,166)
Gains and losses recognised in the CSocNE	(403,179)	(13,041)	(416,220)
Balance at 31 March 2025	2,431,639	8,482	2,440,121
Of which:			
Arm's length bodies	2,431,639	8,482	2,440,121
Balance at 31 March 2025	2,431,639	8,482	2,440,121

The most significant individual valuation using level 3 inputs in the DCMS group is the investment in subsidiaries of the BBC. The remaining level 3 inputs are made up of other ALBs' subsidiaries, which are all included in the accounts at their fair value with the net assets used as a proxy for fair value. More details of these can be found in note 11.

10.5.1 BBC's public corporations

BBC Commercial Limited and its subsidiaries (BBC Studioworks Limited and BBC Studios Limited) are the commercial operations of the BBC which exist to exploit BBC content, formats, brands, channels, facilities, services and intellectual property to deliver benefit to BBC licence fee payers.

BBC Commercial Limited and its direct subsidiary holding companies have been consolidated in these accounts. BBC Commercial Limited's other subsidiaries have been (or it is believed would be) classified by the Office for National Statistics as public corporations and in accordance with the FReM are accounted for as financial assets under IFRS 9.

As the valuation of the BBC public corporations does not meet the IFRS 9 definition for amortised cost, the group has classified the assets as fair value through other comprehensive expenditure. The nature of these assets, not being held for trading, means this is allowable under IFRS 9. Fair value through other comprehensive expenditure assets are financial instruments to be measured at fair value in the balance sheet.

10.5.2 Fair value hierarchy

The group has classified the valuation of the BBC's public corporations as level 3 of the fair value model (see note 10.5). The fair value is the estimated future cash flows that will be generated in perpetuity, discounted at the cost of capital. Cash flow projections, long term growth rates and the cost of capital at which cash flows are discounted are the key unobservable inputs in the valuation. The full market cost of capital has been determined by the BBC following comparisons to similar competitors, and discussions with the individual commercial subsidiaries classified as public corporations.

10.5.3 Significant unobservable inputs

Assets	31 March 2025 £m	31 March 2024 £m	Valuation technique	Unobservable inputs
BBC's public corporations	2,302	2,702	Discounted cash flow model	Long term growth rate: 2024-25: 2.00% 2023-24: 1.00%
				Discount Rate
				Cash flows

Below is a table showing the fair values for a selection of key input changes.

As at 31 March 2025		
Change in input	Impact on fair value £m	Adjusted total value £m
Growth rate increase by 100 bps	325	2,627
Growth rate decrease by 100 bps	(253)	2,049
Discount rate increase by 100 bps	(328)	1,974
Discount rate decrease by 100 bps	422	2,724
Increase in cash flows by 5%	145	2,447
Decrease in cash flows by 5%	(145)	2,157

As at 31 March 2024		
Change in input	Impact on fair value £m	Adjusted total value £m
Growth rate increase by 100 bps	267	2,969
Growth rate decrease by 100 bps	(218)	2,484
Discount rate increase by 100 bps	(301)	2,401
Discount rate decrease by 100 bps	369	3,071
Increase in cash flows by 5%	159	2,861

As at 31 March 2024		
Change in input	Impact on fair value £m	Adjusted total value £m
Decrease in cash flows by 5%	(159)	2,543

A 100 basis point (bps) rise or fall in growth rates or discount rates represents management's assessment of a large but realistic movement which can easily be multiplied to give sensitivities (it is also consistent with sensitivity analysis that other companies use when looking at these rates).

A 5% increase or decrease in cash flows is considered reasonable by management based on variations seen in the financial assets historically compared to budgeted information.

10.5.4 Measurement

These financial assets are recognised at fair value. Since these subsidiaries are not traded on an active market and the fair value cannot be derived from the quoted prices of similar assets, fair value is determined using an internal model (i.e. level 3 of the fair value hierarchy). This model uses discounted cash flow projections to arrive at a net present value.

The cash flow projections use internal five-year forecasts provided by the commercial subsidiaries (BBC Studioworks Limited, BBC Studios Distribution Limited and BBC Studios Productions Limited). The detailed business plans supporting the cash flow projections are compiled by the management teams of each individual subsidiary based on the extrapolation of historical trends in each business area, internal intelligence on expected customer activity and external information on expected future trends in the entertainment and communications industry in each territory.

The first three years of the forecast are reviewed and approved by the BBC Board as part of the BBC budget process. The final two years are extrapolated out by the subsidiary management teams at a higher level. The historical accounts for each commercial subsidiary are publicly available but do not contain any forward-looking information that would link to the cash flow projections. Cash flow projections are considered commercially sensitive by the BBC and are not publicly available.

Corporate tax rate projections are set with reference to the latest future guidance from HMRC.

The valuation assumes that the financial assets have perpetual access to BBC content distribution rights as this is the basis on which the financial assets' business plans are based. The valuation also assumes that the BBC continues beyond the end of the current Royal Charter period (which ends on 31st December 2027).

After the five-year forecast period, the cash flow projections have a perpetual growth rate of 2.0% (2023-24: 1.0%) applied. The growth rate used is consistent with the long-term average growth rates for both the industry and the countries in which the assets are located and is appropriate because the assets are long-term businesses. It is referenced against the Bank of England's long-term inflation target and market benchmarks from equity research analysts. The rate incorporates the considered view of BBC management about the long-term growth prospects for the BBC's commercial subsidiaries. BBC management has considered the current global macroeconomic environment of high inflation alongside market forecasts that expect this inflation to be short to mid-term in nature. Accordingly, BBC management has assessed that a short to mid-term increase in inflation again (such as that experienced during 2022 to 2024) does not affect the long-term growth prospects of the commercial business (i.e. by the end of the five-year forecast period).

In determining the applicable discount rate, the BBC applied judgement in respect of several factors, which included reviewing the weighted average cost of capital analysis and long-range plans of the commercial businesses against market benchmarks from equity research analysts. The BBC gave weighted consideration to market consensus discount rates of comparable companies and general commercial operations to conclude on the most appropriate discount rate.

The peer group used for the analysis above includes listed European broadcast media companies, including UK broadcasters and production companies (reflecting the main activities of the BBC's commercial subsidiaries).

The £400.0m downward revaluation from the prior year primarily reflects not seeing the return of the

growth of content spending or the recovery of the advertising market as expected, alongside increased competition in the TV advertising market from streaming platforms.

Further detail on the performance of the BBC's commercial subsidiaries are available in the Annual Report and Consolidated Financial Statements for BBC Commercial Limited.

The growth and discount rates are highly subjective inputs to the valuation. This results in considerable, but unavoidable, uncertainties in the resulting fair value amount. The valuation is therefore a single estimate from a wide spread of possible values, as highlighted in the sensitivity analysis above.

10.5.5 Risks on the financial assets

The risks facing these BBC public corporations are disclosed in the BBC Commercial Limited's Annual Report.

11. Other financial assets

	Deposits	Derivatives	Equity Investments excluding investment in subsidiaries	Investment in subsidiaries (other than BBC public corporations)	Investment in BBC public corporations	Museum loans	Other loans DCMS Core	Other loans ALB's	Other financial assets (FI non derivative through profit or loss)	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2023	125,694	380,344	418,930	149,910	1,938,000	-	336,620	322,701	11,541	3,683,740
Additions	1,255	-	55,971	118	-	-	42	343,100	13,886	414,372
Disposals	(103,290)	-	(38,970)	(152)	-	-	-	-	(4,784)	(147,196)
Revaluations	-	(36,502)	28,476	(15,091)	764,000	-	-	-	(10,621)	730,262
Impairments	-	-	(43)	(1,967)	-	-	2,150	-	-	140
Repayments	-	-	-	-	-	-	(29,790)	3,455	-	(26,335)
Discounting	-	-	-	-	-	-	20,051	(546)	-	19,505
Expected credit loss	-	-	-	-	-	-	29,829	-	-	29,829
Balance at 31 March 2024	23,659	343,842	464,364	132,818	2,702,000	-	358,902	668,710	10,022	4,704,317
Additions	8,527	-	55,052	-	-	-	-	1,661	14,667	79,907
Disposals	(48)	-	(41,567)	-	-	-	-	-	(3,166)	(44,781)
Revaluations	-	(32,870)	3,673	(3,179)	(400,000)	-	-	-	(3,951)	(436,327)
Impairments	-	-	61	-	-	-	(10,812)	-	-	(10,751)
Repayments	-	-	-	-	-	-	(36,978)	(10,225)	-	(47,203)
Reclassifications	-	-	-	-	-	-	-	-	13,502	13,502
Discounting	-	-	-	-	-	-	18,986	(469)	-	18,517
Expected credit loss	-	-	-	-	-	-	5,148	-	-	5,148
Balance at 31 March 2025	32,138	310,972	481,583	129,639	2,302,000	-	335,246	659,677	31,074	4,282,329
<i>Of which:</i>										
Core department	-	-	-	-	-	30,478	335,246		-	365,724
Arm's length bodies	32,138	310,972	481,583	129,639	2,302,000	(30,478)		659,677	31,074	3,916,605
Carrying amount at 31 March 2025	32,138	310,972	481,583	129,639	2,302,000	-	335,246	659,677	31,074	4,282,329
Within 12 months	31,908	317	46,181	-	-	1	32,444	673,886	2,068	786,805
Over 12 months	230	310,655	435,402	129,639	2,302,000	(1)	302,802	(14,209)	29,006	3,495,524
Carrying amount at 31 March 2025	32,138	310,972	481,583	129,639	2,302,000	-	335,246	659,677	31,074	4,282,329
Within 12 months	23,429	305	46,188	-	-	-	14,912	686,721	2,574	774,129
Over 12 months	230	343,537	418,176	132,818	2,702,000	-	343,990	(18,011)	7,448	3,930,188
Carrying amount at 31 March 2024	23,659	343,842	464,364	132,818	2,702,000	-	358,902	668,710	10,022	4,704,317

Derivatives

The derivative balance relates to the BBC, in particular their refinancing of London Broadcasting House.

Equity Investments excluding investment in subsidiaries

The British Museum held investment funds with a fair value of £207.8m (31 March 2024: £186.7m). These investments consist of investment funds and listed and unlisted equities.

The Victoria and Albert Museum held investment funds with a fair value of ££86.8m (31 March 2024: £84.6m) which mainly consist of multi-asset funds, equities, property funds and currencies managed by JP Morgan and Partners Capital LLP.

Investments in subsidiaries (other than BBC public corporations)

ALBs' subsidiaries are included in the accounts at their fair value with the net assets used as a proxy for fair value.

The significant investments in subsidiaries are as follows:

The British Museum holds three subsidiaries with a fair value of £50.5m (31 March 2024: £44.0m).

The English Heritage Trust is a 100% controlled subsidiary of Historic England. The Trust looks after the National Heritage Collection of more than 400 state-owned historic sites and monuments across England under licence from Historic England. The fair value of the Trust was £42.6m (31 March 2024: £51.3m).

Investment in BBC public corporations

Refer to section 11.5.4 for further details.

Other loans

The BBC had loans outstanding to its trading subsidiaries as at 31 March 2025 of £673.5m (31 March 2024: £686.6m). These loans are partially offset by loans that the BBC has received from its subsidiaries of £96.6m (31 March 2024 £96.6m) which are reported in note 15 Trade and other Payables. The loans outstanding vary based on the borrowing requirements of public corporations, and are treated as repayable on demand. Interest on these loans is charged to the trading subsidiaries in line with interest BBC Commercial pays on its third-party borrowings. As a result, the amortised cost carrying value is an appropriate proxy for fair value.

The core department includes within other loans, the loan book of the Cultural Recovery Fund, Sport Survival Package and Rugby Football League emergency loans.

The loans have been tailored for cultural and sporting institutions with an initial repayment holiday of up to four years and interest rates of 0.2-7%.

Repayments of £34.0m were made during the year (2023-24: £27.7m), a combination of capital and interest. The outstanding loan balance as at 31 March 2025 was £327.2m (31 March 2024: £348.4m).

The fair value of the loan book using the Public Expenditure System rate, adjusted for assumptions of credit risk. This has confirmed that the amortised cost carrying value after taking into account the expected credit loss impairment is not materially different to fair value.

Further details on the expected credit losses can be found in note 11.1.

11.1 Museum Loans

The core department issues loans to museums within the group.

These loans are eliminated upon consolidation and therefore no assets or liabilities are reported for the group.

12. Inventories

	2024-25		2023-24	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Balance at 1 April	-	224,313	-	245,062
Additions	-	2,577,807	-	2,530,284
Disposals	-	(2,474,634)	-	(2,550,962)
Impairments	-	-	-	(71)
Carrying amount at 31 March	-	327,486	-	224,313
Work in intermediate stages of completion	-	40,035	-	45,625
Raw materials and consumables	-	139	-	143
Goods for resale and finished inventories	-	287,312	-	178,545
Total inventories and work in progress	-	327,486	-	224,313

As at 31 March 2025 the BBC held £299.2m (31 March 2024: £198.5m) in inventories in respect of programmes which were either in the course of production or ready for broadcast but not yet aired. Additions primarily relate to programmes which have been completed, whilst disposals relate to those broadcasts during the year. The increase in BBC inventories is due to a change in estimation of the release from inventories for Children's programmes, to better reflect the period of consumption, which is now over an estimated average contract length as this is considered to be more appropriate.

13. Trade and other receivables

	31 March 2025		31 March 2024	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade receivables	653	46,324	41,259	87,451
VAT receivables	12,154	80,786	2,994	62,901
Other receivables	208	128,613	2,406	182,004
Prepayments	16,866	586,848	18,315	619,396
Accrued income	694	130,823	54,100	182,787
Interest receivable	-	432	-	525
Staff loans and advances	131	2,455	196	2,060
Taxation and duties due	-	21,805	-	25,850
Consolidated Fund receivables	2,997	(2)	6,777	-
	33,703	998,084	126,047	1,162,974
Amounts falling due after more than one year:				
Other receivables	-	356,973	-	221,504
Prepayments	-	3,145	-	3,053
Accrued income	-	26,022	-	29,006
	-	386,140	-	253,563
Total before expected credit loss	33,703	1,384,224	126,047	1,416,537
Expected credit loss	-	(1,622)	-	(1,005)
Total	33,703	1,382,602	126,047	1,415,532

The core department had trade receivables of £0.7m (31 March 2024: £41.3m). The reduction is due to amounts due from other government departments in prior year not recurring this year.

Included in other receivables due within one year at 31 March 2025 are balances due to the BBC of £62.9m (31 March 2024: £112.1m). The reduction is due to the prior year including amounts due from the Rights Archive settlement which were received in year.

The BBC had prepayments due within one year of £528.6m (31 March 2024: £559.5m).

The core department had accrued income of £0.7m (31 March 2024: £54.1m). The reduction is due to no accrual being required for The Royal Parks Barter Fee as this was settled within the year as opposed to being outstanding at year-end.

Other receivables due in more than one year at 31 March 2025 consists of a balance due to the BBC of £217.3m (31 March 2024: £219.9m) and a balance due to the British Library of £136.8m (31 March 2024: £0) in relation to lease receivable for a lease granted on the St Pancras site.

14. Cash and cash equivalents

	2024-25		2023-24	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Balance at 1 April	91,412	2,914,718	67,924	2,838,266
Net change in cash and cash equivalent balances	16,125	128,559	23,488	76,452
Balance at 31 March	107,537	3,043,277	91,412	2,914,718
The following balances at 31 March were held with:				
Government Banking Service	107,262	194,549	88,771	193,279
Commercial banks and cash in hand	-	1,048,004	-	982,676
Liquid deposits	275	60,019	2,641	75,998
Sub-total	107,537	1,302,572	91,412	1,251,953
Balance held by NLDF	-	1,740,705	-	1,662,765
Balance at 31 March	107,537	3,043,277	91,412	2,914,718

Balances held with the Government Banking Service include core department at £107.3m (31 March 2024: £88.8m).

Balances with commercial banks and cash in hand of £1,048.0m (31 March 2024: £982.7m) includes:

	2024-25	2023-24
Commercial banks and cash in hand over £40m in 2024-25 or 2023-24 held by:	£'000	£'000
BBC	420,869	435,688
National Lottery Community Fund	312,882	231,961
Horse Race Betting Levy Board	47,868	51,176
National Heritage Memorial Fund	47,176	41,168
British Library	45,548	32,215

There are some third-party assets not included within the above which have been detailed in note 23.

The cash balance held by the National Lottery Distribution Fund (NLDF), in relation to entities within the DCMS Group, of £1,740.7m (31 March 2024: £1,662.8m) is under the stewardship of the Secretary of State for Culture, Media and Sport. The list of the entities included within the DCMS group can be found in note 24. This fund is managed by the Commissioners for the Reduction of the National Debt, who invest the funds as call notice deposits on behalf of the NLDF with the Debt Management Office. The funds are repayable on demand within one working day.

15. Trade and other payables

	31 March 2025		31 March 2024	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Taxation and social security	1,677	51,770	1,563	45,840
Trade payables	8,458	233,389	5,235	198,678
Other payables	5,595	272,001	9,763	264,703
Accruals & deferred income	61,115	361,217	124,638	451,202
Grants payable	-	1,615,795	-	1,646,788
Supply payable	107,261	107,261	88,771	88,771
Loans and borrowings: amounts payable within 1 year	-	96,578	-	96,579
Consolidated Fund payables	2,997	2,997	6,777	6,777
	187,103	2,741,008	236,747	2,799,338
Amounts falling due after more than one year:				
Trade payables	-	-	-	285
Other payables	-	41,079	-	54,018
Accruals & deferred income	-	13,014	-	19,169
Grants payable	-	1,199,075	-	1,272,333
Bank and other borrowings	-	441,010	-	519,675
	-	1,694,178	-	1,865,480
Total	187,103	4,435,186	236,747	4,664,818

The BBC accounts for £144.1m (31 March 2024: £131.9m) of trade payables, £196.2m (31 March 2024: £198.8m) of other payables and £120.2m (31 March 2024: £135.9m) of accruals and deferred income.

Accruals and deferred income falling due within one year have decreased for the core department to £61.1m (31 March 2024 £124.6m), primarily due to Royal Barter Fee being settled within the year, as opposed to being outstanding at year end.

As at 31 March 2025, £2,376.3m (31 March 2024: £2,498.5m) of grants payable were attributable to lottery bodies.

The core department supply payable of £107.3m (31 March 2024: £88.8m) is Parliamentary funding drawn down which has not been spent within the year.

The loans and borrowings (within one year) and bank and other borrowings (greater than one year) relate to the BBC. The loans and borrowings (within one year) of £96.6m (31 March 2024: £96.6m) comprises of mainly commercial intra-group borrowings which vary according to cash requirements.

The bank and other borrowings (greater than one year) of £441.0m (31 March 2024: £519.7m) relates to the BBC and has decreased due to the settlement of fixed term loans and the timing of the drawdown of new loans.

16. Provision for liabilities and charges

Total provisions by type	Grant commitments	Legal claims	Early departures and redundancies	Other	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2024	7,157	7,346	1,646	157,293	173,442
Provided in the year	-	4,032	820	126,901	131,753
Provisions utilised in year	(1,145)	(1,510)	(1,552)	(73,621)	(77,828)
Provisions not required written back	-	(2,642)	(59)	(19,402)	(22,103)
Unwinding of discounts	-	-	1	22	23
Balance at 31 March 2025	6,012	7,226	856	191,193	205,287
Comprising:					
Current liabilities					
Not later than one year	6,012	7,226	43	69,443	82,724
Non-current liabilities					
Later than one year and not later than five years	-	-	-	49,778	49,778
Later than five years	-	-	813	71,972	72,785
Balance at 31 March 2025	6,012	7,226	856	191,193	205,287
Of the total:					
Arm's length bodies	6,012	7,226	856	191,193	205,287
Balance at 31 March 2025	6,012	7,226	856	191,193	205,287

Total provisions by type	Grant commitments	Legal claims	Early departures and redundancies	Other	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2023	62,084	2,857	134	191,862	256,937
Provided in the year	-	10,628	1,613	62,359	74,600
Provisions not required written back	-	(839)	(5)	(26,993)	(27,837)
Provisions utilised in year	(54,927)	(5,300)	(97)	(69,964)	(130,288)
Unwinding of discounts	-	-	1	29	30
Balance at 31 March 2024	7,157	7,346	1,646	157,293	173,442
Comprising:					
Current liabilities					
Not later than one year	7,157	7,346	412	39,865	54,780
Non-current liabilities					
Later than one year and not later than five years	-	-	1,234	49,706	50,940
Later than five years	-	-	-	67,722	67,722
Balance at 31 March 2024	7,157	7,346	1,646	157,293	173,442
Of the total:					
Arm's length bodies	7,157	7,346	1,646	157,293	173,442
Balance at 31 March 2024	7,157	7,346	1,646	157,293	173,442

16. Provision for liabilities and charges (continued)

Total provisions	31 March 2025		31 March 2024	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Balance at 1 April	-	173,442	-	256,937
Provided in the year	-	131,753	-	74,600
Provisions utilised in year	-	(77,828)	-	(130,288)
Provisions not required written back	-	(22,103)	-	(27,837)
Unwinding of discounts	-	23	-	30
Balance at reporting date	-	205,287	-	173,442
Comprising:				
Current liabilities:				
Not later than one year	-	82,724	-	54,780
Non-current liabilities				
Later than one year and not later than five years	-	49,778	-	50,940
Later than five years	-	72,785	-	67,722
Subtotal: non-current liabilities	-	122,563	-	118,662
Balance at reporting date	-	205,287	-	173,442

16.1 Early departures and redundancies

The group meets the additional costs of benefits beyond the normal PCSPS benefits in respect of employees who retire early by paying the required amounts annually to the relevant pension fund over the period between early departure and normal retirement date.

The liabilities extend for up to ten years. The group provides for this when the early retirement programme becomes binding, by creating a provision for the estimated payments discounted using HM Treasury's post-employment benefit discount rate.

16.2 Other provisions

BBC restructuring and property provisions

This relates to various restructuring, decommissioning and dilapidation provisions within the BBC. The value of this provision as at 31 March 2025 was £139.4m (31 March 2024: £114.0m).

BBC taxation, litigation and insurance

The BBC taxation, litigation and insurance provisions as at 31 March 2025 were £36.2m (31 March 2024: £33.7m).

17. Lease liabilities

Total future lease payments under leases are given in the table below:

Obligations for the following periods comprise:	31 March 2025		31 March 2024	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Land				
Not later than one year	-	3,124	-	4,228
Later than one year and not later than five years	-	16,714	-	16,415
Later than five years	-	745,234	-	749,745
Subtotal: Land	-	765,072	-	770,388
Less interest element	-	(693,727)	-	(697,168)
Present value of obligations	-	71,345	-	73,220
Buildings				
Not later than one year	3,170	175,356	3,542	171,645
Later than one year and not later than five years	10,971	676,467	11,426	657,547
Later than five years	31,226	1,289,665	34,328	1,380,650
Subtotal: Buildings	45,367	2,141,488	49,296	2,209,842
Less interest element	(4,760)	(422,681)	(5,467)	(461,611)
Present value of obligations	40,607	1,718,807	43,829	1,748,231
Other				
Not later than one year	-	2,347	-	3,084
Later than one year and not later than five years	-	11,114	-	2,913
Later than five years	-	1,171	-	1,386
Subtotal: Other	-	14,632	-	7,383
Less interest element	-	(492)	-	(384)
Present value of obligations	-	14,140	-	6,999
Total present value of obligations	40,607	1,804,292	43,829	1,828,450
Comprising:				
Current	2,622	132,288	2,946	131,543
Non-current	37,985	1,672,004	40,883	1,696,907

Leases are discounted using the rate implicit in the lease. Where that rate cannot be readily determined, leases are discounted at the entity's incremental borrowing rate.

Where an entity has no borrowings (which is the case for all entities consolidated into the departmental group, with the exception of the BBC), HMT issues discount rates to be used. These cover calendar years and were 1.27% for 2020, 0.91% for 2021, 0.95% for 2022, 3.51% for 2023, 4.72% for 2024 and 4.81% for 2025.

The largest lease liabilities are held by the BBC of £1,538.3m (2023-24: £1,564.6m). This consists of lease liabilities (inclusive of the effect of discounting the interest element) of £119.9m (2023-24: £116.0m) due in one year, £494.4m (2023-24: £469.2m) due in more than one and not later than five years and £923.9m (2023-24: £979.4m) due in more than five years.

The figures include lease interest amounts which are debit figures (partially nets off overall lease liabilities, which are credit figures). The less than a year figure is £119.9m (including lease interest of £44.7m), and therefore would be £164.6m without lease interest. The two to five year figure is £494.4m (including lease interest of £143.4m), and therefore would be £637.8m without lease interest. The more than five-year figure is £923.9m (including lease interest of £156.1m), and would be £1.080bn without lease interest.

The core department holds lease liabilities (inclusive of the effect of discounting the interest element) of £40.6m (2023-24: £43.8m), all of which relates to buildings. The interest element for these lease liabilities is £4.8m (2023-24: £5.5m).

Movements on lease liabilities	2024-25
	£'000
Group Opening lease liabilities 1 April 2024	1,828,450
Lease Repayments	(165,475)
Additions	103,703
Other movements	37,614
Group Closing lease liabilities 31 March 2025	1,804,292

Amounts recognised in SoCNE	Note	31 March 2025		31 March 2024	
		Core department	Departmental group	Core department	Departmental group
		£'000	£'000	£'000	£'000
Interest on lease liabilities - Finance Cost		589	49,793	782	50,218
Variable lease payments not included in measurement of lease liabilities	4.3	-	201	-	175
Income of sub-leasing right-of-use assets	5.2	-	(5,203)	-	(8,636)
Expenses relating to short term liabilities	4.3	-	2,651	-	1,780
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	4.3	-	6,578	-	8,325
Total		589	54,020	782	51,862

Interest on lease liabilities is included within the finance cost total in note 4.6.

18. Other financial liabilities

	Other financial liabilities	Derivatives	Total derivatives
	£'000	£'000	£'000
Balance at 31 March 2023	7,551	483,819	491,370
Additions	302	-	302
Repayments	(1,800)	-	(1,800)
Revaluations	-	607	607
Discounting	-	-	-
Balance at 31 March 2024	6,053	484,426	490,479
Additions	581	-	581
Repayments	(1,740)	-	(1,740)
Revaluations	-	(21,433)	(21,433)
Balance at 31 March 2025	4,894	462,993	467,887
Of the total:			
Core department	-	-	-
Arm's length bodies	4,894	462,993	467,887
Balance at 31 March 2025	4,894	462,993	467,887
Due within 12 months	2,631	1,267	3,898
Due after 12 months	2,263	461,726	463,989
Balance at 31 March 2025	4,894	462,993	467,887
Due within 12 months	1,553	2,503	4,056
Due after 12 months	4,500	481,923	486,423
Balance at 31 March 2024	6,053	484,426	490,479

The BBC held financial derivatives of £463.0m (31 March 2024: £484.4m). The largest element of these derivatives relates to the refinancing of London Broadcasting House of £461.3m (31 March 2024: £481.6m).

19. Retirement benefit obligations

	2024-25			2023-24		
	Funded	Unfunded	Total	Funded	Unfunded	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Analysis of movement in scheme liabilities						
Balance at 1 April	14,474,658	8,920	14,483,578	14,565,503	9,180	14,574,683
Current service cost	79,292	-	79,292	106,672	-	106,672
Past service cost	1,025	-	1,025	934	-	934
Interest cost on pension scheme liabilities	679,499	8	679,507	675,062	7	675,069
Administration cost	8,500	-	8,500	8,500	-	8,500
Benefits paid	(619,075)	(210)	(619,285)	(584,857)	(217)	(585,074)
Contributions by members	4,740	-	4,740	6,816	-	6,816
(Gains)/losses on settlements and curtailments	(13,807)	-	(13,807)	-	-	-
Remeasurements:						
Experience (gains)/losses on defined benefit obligation	(580,049)	(826)	(580,875)	119,700	(97)	119,603
Change in demographic assumptions	(27,373)	(28)	(27,401)	(117,337)	47	(117,290)
Change in financial assumptions	(1,816,488)	-	(1,816,488)	(306,335)	-	(306,335)
Pension liabilities at 31 March	12,190,922	7,864	12,198,786	14,474,658	8,920	14,483,578
Analysis of movement in scheme assets						
Balance at 1 April	(14,390,037)	-	(14,390,037)	(15,285,028)	-	(15,285,028)
Interest on assets	(678,947)	-	(678,947)	(711,572)	-	(711,572)
Administration cost	503	-	503	485	-	485
Benefits paid	619,076	-	619,076	584,897	-	584,897
Contributions by members	(4,750)	-	(4,750)	(5,928)	-	(5,928)
Contributions by employer	(120,748)	-	(120,748)	(179,207)	-	(179,207)
Settlements from scheme assets	19,363	-	19,363	-	-	-
Remeasurements:						
Change in actuarial assumptions	53,933	-	53,933	30,847	-	30,847
Return on assets	1,395,478	-	1,395,478	1,175,469	-	1,175,469
Pension assets at 31 March	(13,106,129)	-	(13,106,129)	(14,390,037)	-	(14,390,037)
Net pension liability/(asset) at 31 March	(915,207)	7,864	(907,343)	84,621	8,920	93,541
Of the total:						
Core department	-	-	-	-	-	-
Arm's length bodies	(915,207)	7,864	(907,343)	84,621	8,920	93,541
Balance at 31 March	(915,207)	7,864	(907,343)	84,621	8,920	93,541
BBC	(873,400)	5,768	(867,632)	114,600	6,600	121,200
BFI	-	1,333	1,333	(8,558)	1,548	(7,010)
Sport England	4,608	-	4,608	4,592	-	4,592
BTA	(5,901)	70	(5,831)	(5,534)	74	(5,460)
UK Sport	(37,149)	529	(36,620)	(17,119)	529	(16,590)
Other ALBs	(3,365)	164	(3,201)	(3,360)	169	(3,191)
Total	(915,207)	7,864	(907,343)	84,621	8,920	93,541

19.1 Analysis of total pension cost recognised in the Consolidated Statement of Comprehensive Net Expenditure

	2024-25 £'000	2023-24 £'000
Pension cost recognised in Net Operating Cost		
Current service cost	79,292	106,672
Past service cost	1,025	934
Enhancements and (gains)/losses on settlements and curtailments	5,556	-
Net interest cost on Pension Scheme	560	(36,503)
Administration cost	9,003	8,985
Total	95,436	80,088

	2024-25 £'000	2023-24 £'000
Remeasurements recognised in Other Comprehensive Net Expenditure		
Pension liabilities:		
Experience (gains)/losses on defined benefit obligation	(580,875)	119,603
Change in demographic assumptions	(27,401)	(117,290)
Change in financial assumptions	(1,816,488)	(306,335)
Pension assets:		
Change in actuarial assumptions	53,933	30,847
Return on assets	1,395,478	1,175,469
Total	(975,353)	902,294

19.1.1 Funded pension schemes

A number of the ALBs operate funded pension schemes, details of the most significant schemes are included below.

The range of future employer contributions for funded schemes are shown below:

	Future employer contributions
BBC	18.3%
BFI	15.45%
Sport England	6.4%
BTA	4.5% - 16%
UK Sport	9.1%

Further information in relation to these funded pension schemes are set out in the published accounts of the ALBs.

19.2 BBC pension scheme

These accounts include only the elements of the BBC classified as central government. The DCMS group accounts include the entire BBC pension scheme in accordance with note 1.22 (where the Office for National Statistics have classified the scheme assets and liabilities as falling to central government). It is not possible to allocate the scheme's deficit across the individual divisions of the BBC. However, no guarantee has been given by either the department or HM Government in respect of this scheme. Pension contributions are paid into a trust fund (BBC Pension Trust Limited) and these contributions are invested by the trustees to produce income from which benefits are paid. The fund is separate from the finances of the BBC and participating employers. It is used to provide benefits for the scheme's members and their dependants.

The scheme, a defined benefit scheme, is now closed to new entrants. The scheme provides pensionable salary related benefits on a defined benefit basis funded from assets held in separate trustee-administered funds. The scheme trustees manage the plan in the short, medium and long term. They make funding decisions based on valuations which take a longer-term view of the assets required to fund the scheme's liabilities. IAS19 valuations of the scheme for accounting purposes are performed annually by Price Waterhouse Coopers for the BBC. The pension scheme employs Willis Towers Watson as its actuaries to perform formal scheme valuations at least every three years. The scheme's net pension asset represents the majority of the BBC's net pension asset, with details below:

BBC funded pension scheme financial position as at:			
	2025	2024	2023
	£m	£m	£m
Scheme assets	12,557.8	13,775.8	14,675.3
Scheme liabilities	(11,684.4)	(13,890.4)	(13,973.8)
Surplus/(deficit)	873.4	(114.6)	701.5
Percentage by which scheme assets cover liabilities	107%	99%	105%

Note D.7.7 of the BBC accounts includes details on the allocation of assets by the pension fund Trustees, governed by the need to manage risk against the desire for high returns and any liquidity needs.

19.2.1 Funding the BBC scheme

The most recent triennial actuarial valuation of the pension scheme at 1 April 2024, by Willis Towers Watson, showed a funding surplus of £296m on an actuarial basis. Prior to the valuation in April 2024, a recovery plan was in place to reduce the actuarial valuation shortfall. While no recovery plan is now required (given the surplus funding position of the Scheme), the new Schedule of Contributions provided for an employer contribution of £125.0m to be paid to the Scheme by the earlier of 1 July 2027 and the date on which the 2026 valuation is completed, unless a replacement Schedule of Contributions has been put in place that does not require it.

The next formal triennial actuarial valuation will be performed no later than as at 1 April 2026.

	Projection 2026 %	2025 %	2024 %	2023 %
Employer	18.3	30.0/18.3	42.3/30.0	42.3
Employee (old and new benefits)	7.5	7.5	7.5	7.5
Employee (career average benefits 2006)	4.0	4.0	4.0	4.0
Employee (career average benefits 2011)	6.0	6.0	6.0	6.0

19.2.2 Principal actuarial assumptions of the BBC scheme

The calculation of the scheme liabilities and pension charges, for IAS 19 purposes, requires a number of financial and demographic assumptions to be made. The principal assumptions used by the actuaries, were:

Principal financial assumptions	2025 %	2024 %	2023 %
Rate of increase in salaries	1.0	1.0	1.0
Rate of increase in pension payments:			
Old Benefits	3.4	3.5	3.5
New Benefits	3.3	3.3	3.4
Career Average Benefits (2006)	2.3	2.3	2.3
Career Average Benefits (2011)	2.9	2.9	2.9
Inflation assumption (RPI)	3.4	3.5	3.5
Inflation assumption (CPI)	3.2	3.1	3.2
Discount rate	5.8	4.8	4.7

The average life expectancy assumptions, for members after retirement at 60 years of age, are as follows:

Principal demographic assumptions	2025	2024	2023
	Number of years	Number of years	Number of years
Retiring today:			
Male	27.0	27.0	28.0
Female	29.0	29.0	30.0
Retiring in 20 years:			
Male	28.0	29.0	29.0
Female	30.0	31.0	31.0

The sensitivities of the scheme's liabilities to changes in the principal assumptions are set out below:

	Assumption used%	Movement	Impact on Scheme liabilities %	Impact on Scheme liabilities £m
Discount rate	5.8	Decrease/increase 0.1%	1.2/1.2	(138)/136
Retail price inflation rate	3.4	Decrease/increase 0.1%	1.2/1.0	136/(117)
Mortality rate	1.25*	Decrease/increase 1 year	3.8/4.0	446/(463)

* A long-term trend of 1.25% for both males and females has been applied to the life expectancy reported above.

Note D6-D7 of the BBC accounts details the actuarial risks relating to the BBC pension scheme, covering investment, currency, counterparty, interest, longevity, inflation and liquidity risk. Level 3 assets are valued in line with industry standard guidelines, including RICS methodology for Property and International Private Equity and Venture Capital guidelines for Private Equity. At 31 March 2025 Direct and Pooled property was valued at £1,366.0m and a 5% reduction would equate to £68.3m.

The details on the fair value of plan assets, risk management strategies, funding arrangements and maturity profile for the scheme assets and liabilities can be found in the BBC annual accounts.

19.3 Local Government Pension Scheme Funded Pension Scheme

A number of ALBs participate in the Local Government Pension Scheme (LGPS) operated by the London Pensions Fund Authority (LPFA).

The LGPS is a funded defined benefit scheme, benefits are based on final salary and the scheme remains open to existing members for ongoing accrual of benefits.

The scheme is subject to triennial valuations by the consulting actuaries to the LPFA and the latest valuation was at 31 March 2022.

Most of the LPFA's assets have quoted prices in active markets, but there are unquoted property, infrastructure and private equity assets. The property and infrastructure assets are subject to valuation by external valuers.

The details on the fair value of plan assets, risk management strategies, funding arrangements and maturity profile for the scheme assets and liabilities can be found in the individual accounts for each of the bodies that are part of the LPFA.

19.3.1 British Film Institute (BFI) pension schemes

BFI participates in the Local Government Pension Scheme (LGPS), operated by the LPFA.

As at 31 March 2025, BFI's net pension deficit was £1.3m (31 March 2024 surplus: £7.0m). BFI's agreed schedule of contributions is 15.5% of member employees' salary per year with no additional monetary amount (31 March 2024: 15.5% of member employees' salary per year with no additional monetary amount).

19.3.2 Sport England pension schemes

Sport England (both Exchequer and Lottery funded) also participates in the LGPS.

It is a funded defined benefit scheme which was closed to new members on 30 September 2005. Benefits are based on final salary until 31 March 2014, and on a career average salary basis from 1 April 2014. Sport England's share of the net pension deficit was £4.6m (31 March 2024 deficit: £4.6m).

Additional employer contributions are paid into the scheme to reduce the scheme's deficit as advised by the scheme's actuaries based on the triennial valuation. In addition, Sport England makes voluntary contributions that are dependent on available funds.

19.3.3 UK Sport pension schemes

UK Sport operates the following pension schemes:

UK Sport:

The majority of staff of UK Sport (both Exchequer and Lottery funded) are members of the LGPS. The pension scheme is a funded defined benefit scheme open to all staff. The scheme is based on average salary throughout membership. UK Sport's share of the net pension surplus as at the year end is £11.8m (31 March 2024 asset: £4.6m).

The UK Sports Institute:

The UK Sports Institute (UKSI) is a subsidiary of UK Sport. UKSI also participates in the LGPS. The pension scheme is a funded defined benefit scheme which is open to all staff.

UKSI's share of the net pension surplus as at the year end is £24.8m (31 March 2024 asset: £12.0m).

19.3.4 Other participating members of LGPS

Other ALBs participating in the LGPS are:

- Geffrye Museum (Museum of the Home);
- Horniman Public Museum and Public Park Trust; and
- UK Anti-Doping.

19.4 British Tourist Authority (BTA) pension schemes

BTA participates in the British Tourist Boards' Pension Scheme (BTBP). The BTBP Scheme is a multi-employer scheme which includes other Tourist Boards. It is a defined benefit final salary pension scheme, which is closed to new entrants from 1 April 2017. BTA also operates an unfunded pension scheme for payments to former Chairs.

BTA's share of the surplus of the funded scheme as at 31 March 2025 is £5.8m (31 March 2024: £5.5m). These figures include the US pension scheme. For the UK pension scheme (BTBP), the surplus at 31 March 2025 is £5.6m (31 March 2024: £5.2m).

BTA also operates defined contribution schemes in other parts of the world, outside of the USA.

19.5 Unfunded pension schemes

The BBC, British Film Institute, British Tourist Authority, UK Sport and Gambling Commission have unfunded pension schemes. For more details on these schemes refer to the published accounts of the individual ALBs (see note 24).

20. Capital, other commitments and lessor arrangements

20.1 Capital commitments

Contracted capital commitments not otherwise included in these financial statements:	31 March 2025		31 March 2024	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Property, plant & equipment	-	84,920	-	150,776
Intangible assets	-	1,116	-	218
Total	-	86,036	-	150,994

The most significant elements of commitments as at 31 March 2025 were Property, plant and equipment commitments at the British Library totalling £21.9m (31 March 2024: £39.7m), the Science Museum Group totalling £11.8m (31 March 2024: £27.0m) and the National Gallery totalling £3.3m (31 March 2024: £23.3m).

20.2 Operating leases as lessor

The group has no material operating lease commitments as lessor.

20.3 Finance leases as lessor

	31 March 2025		31 March 2024	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Not later than one year	-	4,073	-	60
Later than one year and not later than five years	-	102,666	-	292
Later than five years	-	42,765	-	8,294
Total finance leases as a lessor	-	149,504	-	8,646

The most significant elements of commitments as at 31 March 2025 were the British Library totalling £140.9m (31 March 2024: £nil).

20.4 Commitments under PFI contracts and other service concession arrangements off-balance sheet (Consolidated Statement of Financial Position)

In 2010, the National Museums Liverpool (NML) entered into a 17-year standard form of PFI contractual arrangement for the provision of energy services and is making quarterly unitary payments over this period for a Combined Heat Power plant that came into use in October 2010. Further details can be found in the NML's accounts.

20.5 Other financial commitments

The group entered into non-cancellable contracts which are not leases, PFI contracts or other service concession arrangements. The payments to which the group are committed as at 31 March 2025, analysed by the period during which the commitments expire, are as follows:

	31 March 2025		31 March 2024	
	Core department	Departmental group	Core department	Departmental group
	£'000	£'000	£'000	£'000
Not later than one year	-	1,172,880	-	1,198,077
Later than one year and not later than five years	-	1,913,415	-	1,982,306
Later than five years	-	168,683	-	305,199
Total	-	3,254,978	-	3,485,582

The BBC as at 31 March 2025 had commitments of £2,994.0m (31 March 2024: £3,431.0m) relating to long term outsourcing contracts including IT support, content distribution and transmission, facilities management and elements of finance support.

UK Sport Exchequer as at 31 March 2025 had commitments of £212.3m (31 March 2024: £2.6m) relating to grants payable to governing bodies in respect of approved programmes.

21. Contingent assets and liabilities

21.1 Contingent liabilities disclosed under IAS 37

21.1.1 Quantifiable

Lottery Distribution Bodies (LDBs)

At 31 March 2025, the Lottery Distribution Bodies (LDBs) had contingent liabilities relating to future grant payments. The estimated value is £670m (31 March 2024: £538m). The LDBs include British Film Institute, National Lottery Community Fund (formerly Big Lottery Fund), National Lottery Heritage Fund, Sport England, and UK Sport.

The contingent liabilities as at 31 March 2025 relate to potential grant awards that do not satisfy the criteria of being treated as a liability. For more detailed information on contingent liabilities, please refer to the financial statements of the individual LDBs.

The values per LDB are set out in the table below.

Lottery Distribution Body	2024-25 £m	2023-24 £m
Sport England	15	15
UK Sport	171	108
National Lottery Heritage Fund	475	406
National Lottery Community Fund	8	9
British Film Institute	1	1
Total	670	538*

**Not the sum of the LDB's due to figures being rounded to closest £m.*

Guarantee of British Horseracing Authority (BHA) Pension Scheme

On 30 July 2007 the Board of HBLB entered into an agreement with the British Horseracing Authority (BHA), the Jockey Club and Trustees of the Jockey Club Pension Fund and Life Assurance Scheme, now known as the BHA Pension Scheme (the 'Scheme'), to guarantee the payment by the BHA of certain contributions to the Scheme. The last completed formal valuation of the Scheme took place in December 2017.

HBLB was approached by the trustees of the Scheme during 2020-21 to consider an extension to the wind-up guarantee. This was agreed by the Board with the necessary approvals from DCMS and HM Treasury subsequently received.

Accordingly, the Board now has a contingent liability in the event of the BHA becoming unable to meet its obligations and if such circumstances arise to Guarantee until the earlier of:

- i. 31 December 2032 and
- ii. the date a future actuarial valuation of the Scheme discloses that there is no longer a past deficit on the basis of the December 2006 Actuarial Assumptions, the full Scheme wind-up liabilities; up to a maximum of £30.3m, payable in five equal annual instalments, only in the event that the Scheme is wound up by its trustees as a result of the BHA becoming unable to maintain contributions, or terminates its participation in the Scheme, without substituting an alternative Principal Employer (Rule 66 of the Scheme). This guarantee does not apply if the Scheme is wound up for any other reason.

Great British Bonus Scheme

The Great British Bonus Scheme (GBB) is a prize money scheme designed to support the GB breeding and racing industries through enhanced prizemoney to qualifying GB bred horses. It is a whole industry scheme that is administered by the Thoroughbred Breeders' Association (TBA) as agent for the scheme. The TBA administers registrations to the scheme and market and support the scheme operationally. The TBA sits on the GBB Management Group, along with members of the British Horseracing Authority (BHA) and the Racehorse Owners Association (ROA). Representatives of the Board and Weatherby's also sit on the Group as observers. The vast majority of funding for GBB prizemoney comes from the Board. The GBB Management Group proposes any changes to the structure and rules of the scheme, but ultimately the Board of HBLB has control over the funding of the scheme.

On 14 September 2021 the Board agreed to the principle of a contingent liability for the unlikely event of GBB scheme closure, resulting in repayment of unused registrations, until the scheme has built up sufficient reserves to cover the closure liability itself.

The value of paid registrations that had not had an opportunity to utilise the scheme at 31 March 2025 amounted to £1.8m. GBB's available reserves reduce this liability by £0.1m, leaving the Board to recognise the remaining £1.7m as a contingent liability.

Sport England - Football Association management agreement

In 1979, the Football Association (FA) contributed £0.5m towards the construction of a hostel at Lilleshall National Sports and Conferencing Centre. A management agreement with the FA was entered into by Sport England which enabled the FA to run the Vauxhall School at the Centre which closed in July 1999. The Management Agreement continues to remain in place and at the present time the accommodation is used by the FA's Medical and Education Units. If Sport England were to terminate the agreement at any time before 2039, then a proportion of the £0.5m would fall due to be paid to the FA calculated by the reference to time. It is considered unlikely that the agreement will be terminated by Sport England.

National Lottery Community Fund

Within dormant accounts, NLCF has recognised a contingent liability of £4.5m at 31 March 2025 (31 March 2024: £5.0m) in respect of possible obligations to pay up to £500k per annum to The Oversight Trust (OST) – Assets for the Common Good (formerly named The Big Society Trust) for their administration costs. This possible obligation is as per a deed of agreement between OST and NLCF made on 10 December 2019, which is valid for 15 years from that date. Therefore, the contingent liability is for the remaining 9 years.

Science Museum Group - Pensions

At 31 March 2025 the Science Museum Group was subject to an obligation to satisfy the transfer costs of eligible employees seeking to rejoin the Principal Civil Service Pension Scheme (PCSPS) under the Government's New Fair Deal scheme after a period of service in a private sector scheme. The final shortfall or surplus for the transferring members will be based on market conditions at the date that the bulk transfer amount is paid, which is expected to occur during the 2025/26 financial year. Any surplus on transfer is not recoverable by the Science Museum Group. As at 31 March 2025 the shortfall in funds to be provided by the Science Museum Group was estimated to be £nil, owing to an estimated surplus of £0.5m arising on the proposed transfer. It has therefore not been considered necessary to provide for any costs in relation to this obligation, however the obligation is disclosed due to uncertainty over the future final transfer values and possible shortfall payment.

BBC - Pension scheme deficit recovery payments

The BBC have agreed to pay £125 million into the BBC's defined benefit pension scheme at the earlier of 1 July 2027 and the date on which the 2026 valuation is completed, unless a replacement Schedule of Contributions has been put in place that does not require it. It is not currently possible to determine the likelihood of this payment at present.

21.1.2 Unquantifiable

Group

The British Library - Digital Archive

The British Library has undertaken a project to digitise millions of pages of newspaper from its archive using a commercial partner to take on project costs in return for being able to exploit the new digital archive commercially.

The supplier has warranted in its contract with the Library that use of the digitisations will not infringe copyright, or give rise to any possible action for defamation and has undertaken to cover any liability falling on the library as a result of any such claims (in addition to the cost of defending the action) up to £5m.

DCMS has agreed to underwrite any liability which arises beyond that, for the duration that such claims might arise. It is considered that a claim in excess of £5m would be extremely unlikely but in the event that the liability is called, provision for any payment will be sought through the normal supply procedure.

4th National Lottery Licence Legal Challenge

The Commission is facing two legal claims from an unsuccessful bidder in relation to the 4NL Competition and subsequent award that was made in February 2024. The Commission is defending these claims, and a trial has started in October 2025. The unsuccessful bidder is claiming significant damages, which the Commission is vigorously defending.

The Commission considers that, due to the ongoing litigation and trial, disclosure of further information could be prejudicial to the Commission's position. Disclosure in relation to any estimate of probability assessment or potential financial impacts have therefore not been made, in accordance with IAS 37.

Any liability that could arise from the case is likely to be met by the National Lottery Distribution Fund.

British Tourist Authority – India Subsidiary

There has been historical regulatory non-compliance in connection with BTA's operations in India and its Indian subsidiary VisitBritain Services India Private Limited (VBSIPL) regarding cash collection and a Branch office. There is a likelihood that fines will be issued by the Reserve Bank of India (RBI) for both BTA and VBSIPL, however, there is no certainty over either timing or value. BTA continues to work with its advisors in India to resolve these matters.

BBC Indian Tax Survey

The Indian Income Tax Department conducted tax surveys at the offices of BBC Global News India Private Limited, BBC Global News Limited, BBC World Service India Private Limited and BBC Studios India Private Limited in February 2023. The BBC has co-operated in full, and will continue to do so, with all requests made to it, including document and information requests, supported by its external legal and tax advisers. Certain matters arising from the surveys are ongoing. In respect of matters yet to conclude it is not possible at this stage to identify if a liability exists and/or to quantify any such liability with reasonable certainty.

BBC Media Action

BBC Media Action is the BBC's International charity (a private company limited by guarantee and a registered charity) that operates independently of the BBC, with a management team that is answerable to a board of directors (more commonly referred to as Trustees). The BBC provides services to the charity, as it does to BBC Children in Need, including the use of property space. UK-based Media Action staff are employed by the BBC and recharged to Media Action. Given the continued challenging external context (including cuts to US and UK aid budgets) and the environments in which Media Action operates, their income projections to return to pre-Covid-19 levels are slower than anticipated. Media Action's Trustees have developed an operational plan to allow the charity to return to a sustainable position within the context of the new global funding challenges in their sector. The BBC has provided a 12-month written assurance of support (due for review in October 2026) whilst the operational plan is delivered and up to £5 million over a three-year period (of which £0.6 million has been paid in to date in 2024/25) to fund new fund-raising teams and overheads whilst they make operational and other financial improvements to the charity. In year the BBC have also paid £0.6 million for redundancy payments for BBC staff working for Media Action. It is not currently possible to calculate any financial outflow with any reasonable accuracy whilst the short-term implications of the operational plan are further developed and costed.

21.2 Contingent assets

Group

Land sales on the Greenwich Peninsula

As the successor body, taking on the remaining property, rights and liabilities of the Millennium Commission on its dissolution in 2006, the National Lottery Community Fund (NLCF) is entitled to a share of the proceeds of land sales on the Greenwich Peninsula made by the Greater London Authority once certain costs have been covered. Payments of £44.8m (2023-24 £50.3m) are now forecast to be received between 2016 and 2041, of which £10.4m has been received by the end of 2024-25. No additional income has been accrued for 2024-25.

Sale of Olympic Park

The National Lottery Distributors are entitled to receive a share of receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675m to the funding of the London 2012 Olympic and Paralympic Games. The arrangements are set out in a legal agreement between the Secretary of State and the GLA dated 29 March 2012 which sets out the distribution of funds between the GLA and the Lottery Distributors (via the core department). We expect that the GLA will communicate directly with the Lottery Distributing Bodies on forecast of land receipts due to the National Lottery and the timing on when such payments will be made.

Dormant Assets

Under the provisions of the Dormant Assets Acts 2008 to 2022, banks and building societies may pass funds from dormant assets to Reclaim Fund Ltd (RFL), a not-for-profit entity authorised to act as the reclaim fund. RFL transfers funds which it is satisfied are not required to meet future claims from the owners of the dormant account money to the NLCF for onward distribution. RFL calculates the liability due to the NLCF and recognises this as a creditor, which corresponds to a debtor and related income being accounted for by the NLCF. In addition, RFL notes a provisional amount of future income which may be passed to the NLCF. The Fund now recognises this as a contingent asset according to IAS 37:

Provisions, Contingent Liabilities and Contingent Assets. RFL has indicated this value is likely to be in the range of £139m to £145m for 2025-26 (2024-25: £143.4m).

British Museum Legacies

13 legacies were bequeathed to the British Museum group (2023-24: 14 legacies). The amount and timing of these payments are uncertain as the museum's interest is in the residuary estates but is estimated at around £1.2m (2023-24: £1.4m).

British Museum rebates

The British Museum anticipates receiving a business rates rebate of c.£0.6m, but this had not been confirmed at the balance sheet date.

Arts Impact Fund

The Arts Council Lottery has potential income of £0.5m to be paid annually over the period 2022-2026. This relates to surplus funds generated by National Endowment for Science, Technology and the Arts (NESTA) following a previous grant award.

Historic England VAT reclaim 1.2

Certain transactions of Historic England group are exempt from VAT and consequently the group is classified as partially exempt. During 2021-22 the group reviewed their agreed partial exemption calculation and as a result proposed to HMRC a change in the treatment of a number of elements of input VAT used to calculate the amount of VAT that can be reclaimed. Depending on any new agreement of the partial exemption calculation agreed with HMRC, this may give rise to a repayment of VAT to the group. This amount cannot be quantified at the current time and therefore no receipt has been recognised during the financial year.

Sir John Soane's Museum Residuary Bequest

As at 31 March 2025 the Museum had received notification that it would benefit from a residuary bequest, which represents a contingent asset at the year-end. As at 31 March 2025 the amount that would be received was not known.

22. Related party transactions

Core department

At 31 March 2025, DCMS was the sponsor of the ALBs listed in Note 24. These bodies are regarded as related parties, with which the department has had various material transactions during the year. All of these transactions were conducted in the normal course of business and on an arm's length basis.

The department made a number of material transactions with other government bodies, these are set out below:

- The National Lottery Distribution Fund is maintained under the control and management of the Secretary of State for Culture, Media and Sport. During the year, a number of staff employed by the core department worked on National Lottery Distribution related activities and also used systems owned by the department. These costs were recharged to the fund by the department.
- Transactions with the following other government departments:
 - MHCLG – Section 31 grant to MHCLG to distribute to Local Authorities in relation to PFI Special Grant;
 - DfE - Contribution from Department for Education for the Cultural Education and National Youth Music Organisations programme funding;
 - West Midland Combined Authority - DCMS grant in relation to the Commonwealth Games Legacy Enhancement Fund.

Departmental Ministers make specific disclosure of financial interests as required by the Ministerial

Code of Conduct. DCMS Non-Executive Board members must declare to the Permanent Secretary any personal or business interest which may, or may be perceived to, influence their judgement as a board member.

Departmental Group

Other than those listed below, no Minister, Board Member, or other related parties have undertaken any material transactions with the group during the year.

Ministers

Lucy Frazer KC MP, former Secretary of State for Culture, Media and Sport, is married to the Chief Executive of Alexander Mann Solutions Ltd (AMS). In 2024-25 AMS received £3,070k from the core department, £722k from Sport England Exchequer (£59k payable at year end) and £137k from Arts Council England Exchequer (£15k payable at year end). The majority of this cost relates to payments to agency staff but an element covers the services provided by AMS to source these temporary workers. The Minister had no role in the decisions relating to this expenditure.

Her husband is also Trustee of Action for M.E. At 31 March 2025, £118k was payable to Action for M.E. from the National Lottery Community Fund.

Special Advisors to Ministers

Anne Shooter is married to a partner at Mishcon de Reya LLP, which received £62k from the Imperial War Museum and £4k from Tate. The Victoria and Albert Museum received £29k from Mishcon de Reya LLP.

During the year Harjeet Sahota was a Trustee at My Life My Say, which received £60k from the National Citizen Service.

Audit and Risk Committee Members

Claudia Arney is a Non-Executive Director at DCMS and the Chair of the Board at Deliveroo plc, during the year the Natural History Museum received £25k from Deliveroo plc (£39k was due to Natural History Museum at year end).

Non- Executive Board Members

Larissa Joy was a Non-Executive Director at DCMS and has the following declaration of her interests for the financial year 2024-25:

- Larissa is the Chair of the Trust Board at Hawkins Brown Architects, which received £244k from the DCMS Core for work on the Youth Investment Fund and £5k from the Natural History Museum. Larissa was not involved in the appointments of Hawkins Brown Architect.
- Larissa is a Non-Executive Director at Saxton Bampfylde Hever Limited, which received £79k from the British Museum, £25k from the National Gallery and £21k from the British Library. Larissa was not involved in the appointments of Saxton Bampfylde Hever Limited.
- Larissa is the Chair of The Foundling Museum, which received £471k from Arts Council England Exchequer and had £319k due to be received from the Arts Council England Exchequer. This entity also had £23k due from National Lottery Heritage Fund at year end. Larissa was not involved in the decisions to award the Foundling Museum monies.
- Larissa is Non-Executive Director and Chair of the Remuneration Committee at Charles Russell Speechlys LLP, which received £22k from the Churches Conservation Trust (£25k payable at year end) and £9k from the Imperial War Museum. Larissa was not involved in the appointment of Charles Russell Speechlys LLP.

Executive Board Members

Louise Smith, the Director for Corporate Strategy at DCMS, serves as a Trustee of the Aurora Orchestra. In 2024-25 Aurora Orchestra received £144k from Arts Council England Exchequer.

Sarah Tebbutt, the Director for People and Workplace at DCMS's husband is the Finance and Operations Director of the RC Diocese of East Anglia, Diocese received £48k from Historic England this year.

Sam Lister, the Director General of Strategy & Operations until 10 November 2024 is a Trustee of the Whitehall & Industry Group, which received £23k from the core department during the year.

Susannah Storey, Permanent Secretary's husband was a director of Premier Rugby Limited until February 2025, there were no transactions or balances with this entity this year within the group. He was also director of Pro Rugby Championship DAC until July 2024 which during 2024-25 received £4,200k from S4C Welsh Fourth Channel. The department actively manages these conflicts via recusals on all policy and Accounting Officer matters relating to rugby.

The Permanent Secretary's husband is a Managing Partner and Shareholder in CVC Capital Partners. As part of his role at CVC, he is Director of Away Resorts (a domestic tourism company) which during the year paid Gambling Commission £4k. The department actively manages this conflict via a recusal on all policy and Accounting Officer matters relating to holiday parks.

Additional transparent reporting from the Permanent Secretary

In the interests of transparency, Susannah Storey would like to voluntarily disclose the following information:

Further to the above information regarding the Permanent Secretary's recusal on rugby union stemming from her husband's Directorships, in May 2025, the Permanent Secretary appointed Will Macfarlane, on his appointment as Director General for Strategy and Major Events in DCMS, as Additional Accounting Officer for rugby union. The Permanent Secretary has written to the Chair of the Public Accounts Committee setting out this approach.

As previously disclosed in the DCMS annual report and accounts in 2022-23 and 2023-24 the Permanent Secretary's mother has ownership of Ash Hole Cavern in Devon which is a scheduled monument designated by Historic England (a DCMS Arms Length Body). Its scheduling in 1966 precedes Susannah's position as Permanent Secretary and prior appointment as Director General. Any and all grant funding decisions made by Historic England regarding scheduled monuments are made at an arm's length from the government, and the Permanent Secretary has no role in those decisions. This is not required to be disclosed as there have been no transactions with this scheduled monument by Historic England in 2024-25 and this relationship does not meet the definitions from IAS24 'Related Parties Disclosures'.

The Remuneration Report (page 76) contains details of payments made to key personnel.

23. Third-party assets

The core department does not hold significant third-party assets. The group holds, as custodian or trustee, certain assets belonging to third parties. These are not recognised in the accounts, since the group does not have a direct beneficial interest in them.

As at 31 March 2025 the NLCF held assets of £9.6m (31 March 2024: £10.6m). These assets represent third party bank balances for whom NLCF manage grant programmes and the National Lottery Promotions Unit to meet payments processed by the Fund under service level contracts.

24. List of bodies within the group

The entities within the group during 2024-25 listed below, comprised the core department, and those bodies included in the Government Resources and Accounts Act 2000 (Estimates and Accounts) (Amendment) Order 2024.

The following developments have been noted:

Festival 2022 Limited (part of Birmingham Organising Committee for the 2022 Commonwealth Games Ltd (BOCCG) was dissolved on 11 March 2025. Hence it will be removed in the Amendment Order 2025-26. Birmingham 2022 is not likely to be dissolved until after June 2025 - so remains an entity for DCMS group despite being in liquidation.

Body name	Legal status	Website
Heritage		
The Historic Buildings and Monuments Commission for England (Historic England)*	Statutory Body	www.historicengland.org.uk
National Heritage Memorial Fund (NHMF) [†] [§]	Statutory Body	www.nhmf.org.uk
Churches Conservation Trust	Statutory Body and Registered Charity	www.visitchurches.org.uk
Media/Creative Industries		
British Broadcasting Corporation (BBC) ²	Royal Charter Body	www.bbc.co.uk
S4C (Sianel Pedwar Cymru) ³	Statutory Body	www.s4c.cymru
British Film Institute [§]	Royal Charter Body and Registered Charity	www.bfi.org.uk
Museums and Galleries		
British Museum*	Statutory Body and Exempt Charity	www.britishmuseum.org
Geffrye Museum (Museum of the Home)*	Limited Company and Registered Charity	www.museumofthehome.org.uk
Horniman Public Museum and Public Park Trust*	Limited Company and Registered Charity	www.horniman.ac.uk
Imperial War Museum*	Statutory Body and Exempt Charity	www.iwm.org.uk
National Gallery*	Statutory Body and Exempt Charity	www.nationalgallery.org.uk
National Museums Liverpool*	Statutory Body and Exempt Charity	www.liverpoolmuseums.org.uk
National Portrait Gallery*	Statutory Body and Exempt Charity	www.npg.org.uk
Royal Armouries Museum*	Statutory Body and Exempt Charity	www.royalarmouries.org
National Maritime Museum (Royal Museums Greenwich)*	Statutory Body and Exempt Charity	www.rmg.co.uk
Science Museum Group*	Statutory Body and Exempt Charity	www.sciencemuseum.org.uk
Sir John Soane's Museum*	Registered Charity	www.soane.org
Tate Gallery (Tate)*	Statutory Body and Exempt Charity	www.tate.org.uk
Victoria and Albert Museum*	Statutory Body and Exempt Charity	www.vam.ac.uk
Wallace Collection*	Statutory Body and Exempt Charity	www.wallacecollection.org
Natural History Museum*	Statutory Body and Exempt Charity	www.nhm.ac.uk
Sport		
UK Anti-Doping [†] *	Limited Company	www.ukad.org.uk
Birmingham Organising Committee for the 2022 Commonwealth Games (Birmingham 2022) ⁵	Limited Company	www.birmingham2022.com
The English Sports Council (Sport England) [§]	Royal Charter Body	www.sportengland.org
The United Kingdom Sports Council (UK Sport) [§]	Royal Charter Body	www.uksport.gov.uk
Sports Grounds Safety Authority*	Statutory Body	www.sgsa.org.uk
Tourism		
British Tourist Authority (operating as VisitBritain* and VisitEngland*)	Statutory Body	www.visitbritain.org
Gambling		
Gambling Commission*	Statutory Body	www.gamblingcommission.gov.uk
Horserace Betting Levy Board*	Statutory Body	www.hblb.org.uk
Arts and Libraries		
Arts Council England [§]	Royal Charter Body and Registered Charity	www.artscouncil.org.uk
British Library*	Statutory Body and Exempt Charity	www.bl.uk
Civil Society		
Big Lottery Fund (operating as National Lottery Community Fund)*	Statutory Body	www.tnlcommunityfund.org.uk
National Citizen Service Trust	Royal Charter Body	www.gov.uk/government/organisations/national-citizen-service
Cultural Property		
Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest [†]	Committee funded by the department	www.artscouncil.org.uk/supporting-collections-and-cultural-property/reviewing-committee#section-1
Treasure Valuation Committee [†]	Committee funded by the department	www.gov.uk/government/organisations/treasure-valuation-committee

* Executive NDPBs per Cabinet Office's [Public Bodies 2024 report](#)

† Advisory NDPBs per Cabinet Office's [Public Bodies 2024 report](#)

\$ These bodies also produce a lottery distribution account

Eight bodies (Churches Conservation Trust, Sports Grounds Safety Authority, Horniman Public Museum and Public Park Trust, Royal Armouries Museum, Sir John Soane's Museum, Wallace Collection, UK Anti-Doping and Geffrye Museum (Museum of the Home)) have not been consolidated in the 2024-25

or 2023-24 DCMS group accounts (except Geffrye Museum (Museum of the Home)) on a line-by-line basis on the grounds of materiality. Eight bodies (Churches Conservation Trust, Sports Grounds Safety Authority, Horniman Public Museum and Public Park Trust, Royal Armouries Museum, Sir John Soane's Museum, Wallace Collection, UK Anti-Doping and Geffrye Museum (Museum of the Home)) have not been consolidated in the 2024-25 or 2023-24 DCMS group accounts (except Geffrye Museum (Museum of the Home)) on a line-by-line basis on the grounds of materiality.

Notes:

1. NHMF carries out its lottery distribution activities as the National Lottery Heritage Fund.
2. The BBC is governed by Royal Charter and an associated Framework Agreement with Government. The Charter and Agreement set out the BBC's accountability to Parliament for use of the public money it receives whilst at the same time preserving the BBC's independence on editorial policy and programming. The definition of the BBC as consolidated in these accounts is provided in note 1.3 (Basis of Consolidation).
3. S4C is a statutory corporation, and the Welsh Fourth Channel Authority (Awdurdod Sianel Pedwar Cymru) is responsible for S4C's strategic policy and for ensuring the fulfilment of its statutory functions.
4. United Kingdom Anti-Doping Limited and Birmingham 2022 are companies limited by guarantee of which the Secretary of State for Culture, Media and Sport is the sole member.
5. Festival 2022 Limited is a 100% owned subsidiary of Birmingham 2022; figures are consolidated in these accounts. Both Birmingham 2022 and Festival 2022 entered liquidation on 15 March 2023.

24.1 Bodies excluded from the boundary

The public sector bodies that are outside the departmental accounting boundary, and for which the department had lead policy responsibility during the year, are listed below together with their status.

24.1.1 Non-ministerial government departments

Non-ministerial government departments are not consolidated within the group accounts.

- The Charity Commission for England and Wales. The Charity Commission's annual report and accounts can be found at <https://www.gov.uk/government/publications/charity-commission-annual-report-and-accounts-2024-to-2025>
- The National Archives. The National Archives annual report and accounts can be found at <https://www.gov.uk/government/publications/the-national-archives-annual-report-and-accounts-2024-to-2025>

24.1.2 Public Corporations sponsored by DCMS

Public corporations, as defined by the Office for National Statistics, are market bodies that derive more than 50% of their income from the sale of goods and services and they have substantial day to day operating independence:

- Channel Four Television Corporation*
- Historic Royal Palaces*
- The Royal Parks Limited*

*Since the department has no financial asset in these public corporations, they are not recognised as financial investments in the group accounts.

In addition, a large number of bodies within the departmental accounting boundary have subsidiaries that are trading companies which are, or we expect would be, classified as public corporations.

24.1.3 National Lottery Distribution Fund

The department is responsible for the operation of a lottery fund which is separately accounted for and is not consolidated in these accounts. The accounts can be found www.gov.uk/government/publications/national-lottery-distribution-fund-annual-report-and-accounts-2024-to-2025

25. Events after the reporting period

In accordance with the requirements of *IAS 10 Events after the Reporting Period*, post year end events are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General.

Changes to Ministerial Team

Ian Murray MP was appointed Minister of State for Creative Industries, Media and Arts on 6 September 2025. He replaced Sir Chris Bryant MP, Minister of State for Creative Industries, Arts and Tourism.

Changes to Non-Executive Team

Jude Kelly CBE and Janet Pope were appointed as Non-Executive Board Members on 23 April 2025. As well as sitting on the Departmental Board, Janet has been appointed to chair the department's Audit and Risk Committee.

Changes to the Executive Team

Will Macfarlane was appointed as Director General of Strategy and Major Events at DCMS on 28 April 2025. He left the role on 10 September 2025.

Changes to public bodies within our group.

National Citizen Service Trust closed on the 11th July 2025.

Machinery of Government (MoG) Change

On 1 September 2025, the Prime Minister announced a MoG change to immediately transfer delivery responsibility for the cross-government Young Futures Hubs from DfE to DCMS. This announcement follows the press release of the launch of the Hubs in July 2025. The financial effects will be reported in the DCMS 2025-26 Annual Report.

ANNEXES

Annex A – Core tables

These Tables present actual expenditure by the department for the years 2020-21 to 2024-25 and planned expenditure for the years 2025-26 to 2026-27 (derived from the Spending Review and subsequent fiscal events). The data relates to the department's expenditure on an Estimate and budgeting basis.

The format of the tables is determined by HM Treasury, and the disclosure in Tables 1 and 2 follow that of the Supply Estimate functions.

All years have been restated for the effect of Machinery of Government changes and other restatements.

Table 1 Public spending – summarises expenditure on functions administered by the department. Consumption of resources includes Departmental Expenditure Limits (DEL) for administration, programme and capital costs, and Annually Managed Expenditure (AME) both Voted and Non-Voted expenditure. The figures are derived from the OSCAR database and the mappings replicate the lines in SOPS note 1.

Table 2 Administration budgets – provides a more detailed analysis of the administration costs of the department. It retains the high level functional analysis used in Table 1. The figures are derived from the OSCAR database and the mappings replicate the lines in SOPS note 1.

Table 1 – Public spending

Resource DEL (£'000s)	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans
Support for the Museums and Galleries sector	24,342	20,079	21,407	32,349	27,974	42,779	
Museums and Galleries sponsored ALBs (net)	429,655	389,798	420,273	419,384	437,183	465,782	
Libraries sponsored ALBs (net)	111,097	104,898	123,656	127,565	76,163	125,429	
Support for the Arts sector [1]	(31,072)	(51,512)	(66,522)	(100,856)	(93,805)	(75,906)	
Arts and culture ALBs (net) [2]	1,180,937	610,447	481,986	485,000	496,250	516,048	
Support for the Sports sector [3]	16,090	54,985	24,517	(8,529)	66,847	23,678	
Sport sponsored ALBs (net) [4]	303,568	151,001	167,963	189,366	178,952	186,717	
Ceremonial and support for the Heritage sector [5]	43,260	41,726	106,557	96,988	62,369	62,106	
Heritage sponsored ALBs (net) [6]	203,061	109,247	79,767	87,722	79,965	77,740	
Support for the Tourism sector	-	-	-	-	1,662	2,484	
Tourism sponsored ALBs (net)	37,725	49,078	52,283	50,587	49,636	39,660	
Support for the Digital, Broadcasting and Media sector [7]	83,691	113,936	98,953	13,984	14,938	21,524	
Broadcasting and Media sponsored ALBs (net) [8]	99,158	59,407	24,430	28,627	37,897	34,982	
Administration and Research	114,206	93,277	156,214	94,381	111,105	134,499	
Support for Horseracing and the Gambling sector [9]	(17,851)	(26,790)	(21,817)	(14,440)	(28,782)	(34,069)	
Gambling Commission (net)	19,280	24,569	14,867	13,670	32,320	35,445	
Olympics - legacy programmes [10]	-	(14)	-	(10)	-	-	
Civil Society and Youth	385,990	31,862	47,973	129,522	68,816	73,764	
National Citizen Service	72,258	71,086	73,587	47,004	50,109	-	
Birmingham 2022 and Festival 2022 (net) [11]	36,407	146,242	304,319	-	-	-	
Building Digital UK [12]	-	-	30,956	-	-	-	
Total Resource DEL	3,111,802	1,993,322	2,141,369	1,692,314	1,669,599	1,732,662	
Of which:							
Staff costs [13]	778,852	814,545	868,871	663,071	708,674		
Purchase of goods and services [14]	588,088	835,485	1,248,695	645,922	640,265		
Income from sales of goods and services [15]	(43,493)	(37,840)	(134,732)	(44,505)	(44,360)	(181,710)	
Current grants to local government (net) [16]	197,455	82,311	79,175	119,770	142,754	35,501	
Current grants to persons and non-profit (net) [16]	1,912,362	739,105	617,414	706,652	654,202	603,111	
Current grants abroad (net) [16]	(932)	444	274	1,367	1,300	4,661	
Subsidies to public corporations	21,178	10,146	4,292	1,542	1,575	1,034	
Net public service pensions	9,286	6,846	7,152	5,944	4,076	5,129	
Rentals	1,505	9,149	2,221	1,945	1,419	-	
Depreciation [17]	212,611	206,844	160,173	183,761	176,028	180,079	
Take up of provisions	19	9,828	29,557	(49,874)	(24,134)	1,149	
Unwinding of discount rate on pension scheme liab [18]	1,144	1,225	1,172	450	469		
Other resource	(566,273)	(684,766)	(742,895)	(543,731)	(592,669)	(357,814)	

Resource AME (£'000s)	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans
British Broadcasting Corporation (net) [19]	3,589,746	3,626,012	3,690,084	3,471,162	3,699,116	4,267,798	
Provisions, Impairments and other AME spend [20]	51,329	5,732	57,675	(2,150)	(600)	60,553	
Levy bodies [21]	14,165	11,094	498	(12,861)	(13,875)	-	
S4C (net)	-	-	88,726	94,580	89,759	-	
Provisions, Impairments and other AME spend (ALB) (net) [26]				51,711	43,436	61,874	
Lottery Grants [22]	1,097,707	1,618,333	1,426,605	1,191,849	1,152,620	1,568,486	
Total Resource AME	4,752,947	5,261,171	5,263,588	4,794,291	4,970,456	5,958,711	
Of which:							
Staff costs [23]	1,405,618	1,261,796	1,218,378	1,284,284	1,412,839	□	
Purchase of goods and services	1,879,611	2,511,256	2,816,900	2,747,054	2,790,058	□	
Income from sales of goods and services	(106,000)	(105,053)	(116,000)	(137,000)	(144,000)	(446,197)	
Current grants to local government (net)	53,437	71,141	33,003	29,881	49,405	43,496	
Current grants to persons and non-profit (net)	1,258,883	1,578,371	1,391,196	1,280,787	1,194,470	1,541,901	
Subsidies to public corporations	5,799	2,342	12,578	500	-	-	
Net public service pensions	(9,286)	(6,846)	(7,152)	(5,944)	(4,076)	-	
Rentals	(72,475)	(93,877)	(116,647)	(98,770)	(89,007)	(17,989)	
Depreciation [27]	391,296	168,002	184,604	252,658	201,078	257,252	
Take up of provisions	138,745	17,046	152,497	47,147	110,282	43,232	
Release of provision	-	-	-	-	-	(768)	
Change in pension scheme liabilities [24]	204,610	234,483	185,966	107,606	85,873	-	
Unwinding of discount rate on pension scheme liab [24]	4,513	9,209	(21,695)	(27,968)	9,094	-	
Release of provisions covering pension benefits [24]	-	-	-	-	-	1,967	
Other resource	(401,804)	(386,699)	(470,040)	(685,944)	(645,560)	(218,413)	
Total Resource Budget [25]	7,864,749	7,254,493	7,404,957	6,486,605	6,640,055	7,691,373	
Of which:							
Depreciation [27]	603,907	374,846	344,777	436,419	377,106	437,331	

Capital DEL (£'000s)	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans
Support for the Museums and Galleries sector	(3)	2	304	2,217	343	129,568	
Museums and Galleries sponsored ALBs (net) [29]	73,039	115,948	211,370	181,121	197,048	101,083	
Libraries sponsored ALBs (net) [30]	6,815	7,144	12,485	28,248	(73,602)	30,197	
Support for the Arts sector [31]	255,658	3,445	(1,344)	(5,887)	(36,657)	3,058	
Arts and culture ALBs (net)	68,098	70,689	60,586	65,948	86,554	140,547	
Support for the Sports sector [32]	117,955	105,551	9,167	5,180	11,640	22,820	
Sport sponsored ALBs (net)	40,385	57,282	92,620	144,861	125,743	106,428	
Ceremonial and support for the Heritage sector [33]	1,637	5,460	10,484	1,061	866	5,087	
Heritage sponsored ALBs (net) [34]	177,027	147,113	58,504	69,855	33,043	45,995	
Tourism sponsored ALBs (net)	2,179	1,343	2,244	2,469	2,912	2,431	
Support for the Digital, Broadcasting and Media sector [35]	158,060	152,577	71,374	3,552	9,495	14,975	
Broadcasting and Media sponsored ALBs (net)	29,567	17,640	12,618	2,232	7,237	1,090	
Administration and Research [36]	8,460	(10,878)	4,635	(14,546)	3,717	54,312	
Gambling Commission (net)	258	265	317	529	536	-	
Olympics - legacy programmes [37]	-	(27,350)	8,558	332	-	-	
Civil Society and Youth [38]	(3,263)	6,543	40	43,087	157,342	95,109	
National Citizen Service	(12)	-	(2,060)	-	9		
Birmingham 2022 and Festival 2022 (net)	43	1,601	44,326	-	-		
Total Capital DEL	935,903	654,375	596,228	530,259	526,226	752,700	
Of which:							
Staff costs [39]	8,289	13,220	17,931	14,035	14,479	□	
Purchase of goods and services	5,451	9,471	28,874	11,952	11,801	□	
Income from sales of goods and services	(7,396)	(4,991)	(7,334)	(11,981)	(6,585)	-	
Current grants to persons & non-profit (net)	6,439	8,187	7,424	7,491	-	-	
Subsidies to private sector companies	2,023	313	367	3,398	145	-	
Capital support for local government (net)	161,673	99,753	39,483	92,935	53,327	5,872	
Capital grants to persons & non-profit (net) [40]	107,823	105,270	74,574	(159,523)	(838,997)	194,799	
Capital grants to private sector companies (net)	40,062	92,224	94,924	66,803	164,928	126,173	
Capital grants abroad (net)	(62)	-	-	-	-	-	
Capital support for public corporations	17,684	21,310	(2,443)	(2,588)	73	-	
Purchase of assets [41]	266,314	264,791	274,141	554,969	1,294,681	331,938	
Income from sales of assets [42]	(29,440)	(30,582)	(21,045)	(38,224)	(122,422)	(9,536)	
Net lending to the private sector and abroad	367,409	91,298	93,636	4,165	(1,159)	-	
Take up of provisions	-	-	-	-	-	35,764	
Other capital	(10,366)	(15,889)	(4,304)	(13,173)	(44,045)	6,420	

Capital AME (£'000s)	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans
British Broadcasting Corporation (net) [43]	48,633	167,193	271,074	458,486	191,126	538,380	
Channel Four Television [44]	8,751	(76,296)	(864)	39,129	(37,525)	200,000	
Provisions, Impairments and other AME spend	-	-	-	-	-	-	
Levy bodies [45]	317	(21,878)	(8,257)	(571)	983		
S4C (net)	-	-	112	22	264		
Provisions, Impairments and other AME spend (ALB) (net)	-	-	-	-	8		
Lottery Grants	220,060	188,739	221,353	384,751	318,900	454,194	
Total Capital AME	277,761	257,758	483,418	881,817	473,756	1,192,574	
Of which:							
Staff costs [46]	13,561	12,942	17,207	17,576	16,392	□	
Purchase of goods and services	2,259	2,226	3,587	3,146	3,353	□	
Income from sales of goods and services	(2,358)	(2,947)	(3,387)	(2,801)	(2,488)	(3,289)	
Capital support for local government (net) [47]	74,396	32,711	37,490	120,479	47,016	126,628	
Capital grants to persons & non-profit (net)	109,988	123,173	151,818	238,190	243,078	300,557	
Capital support for public corporations [48]	(42,267)	4,686	127,781	344,817	9,246	558,956	
Purchase of assets	88,269	99,015	154,201	147,156	208,488	157,800	
Release of provision	-	(21,520)	(7,980)	(302)	(581)	-	
Income from sales of assets	(1,143)	(24,470)	(29,010)	(8,430)	(80,976)	761	
Net lending to the private sector and abroad	18,068	15,510	13,644	8,701	13,002	9,836	
Other capital	16,988	16,432	18,067	13,285	17,226	16,992	
Total Capital Budget [49]	1,213,664	912,133	1,079,646	1,412,076	999,982	1,945,274	
Total Departmental Spending [50]	8,474,506	7,791,780	8,139,826	7,462,262	7,262,931	9,199,316	
Of which:							
Total DEL [51]	3,835,094	2,440,853	2,577,424	2,038,812	2,019,797	2,305,283	
Total AME [52]	4,639,412	5,350,927	5,562,402	5,423,450	5,243,134	6,894,033	

Notes:

Resource DEL

1. Support for the Arts Sector. The income relates to contributions from the Department for Education towards the cost of Music Hubs and other programmes managed by Arts Council England. The increased levels of income in 2023-24 and 2024-25 are due to increased transfers from the Department for Education for these programmes.
2. Arts and culture ALBs reflects higher levels of expenditure in 2020-21 and 2021-22 due to the Cultural Recovery Fund announced in response to the COVID-19 pandemic.
3. Support for the Sports sector shows an increase in expenditure in 2021-22 mainly due to Expected Credit Loss adjustments resulting from Sports Sector Covid Recovery Loans and additional expenditure relating to Major Sporting Events.
4. Sport sponsored ALBs reflects higher levels of expenditure in 2020-21 due to Sports sector and Leisure Centre recovery programmes announced in response to the COVID-19 pandemic.
5. The ceremonial spend increased in 2022-23 and 2023-24 due to The Queen's Funeral and the Platinum Jubilee.
6. Heritage sponsored ALBs reflects higher levels of expenditure in 2020-21 and 2021-22 due to the Cultural Recovery Fund announced in response to the COVID-19 pandemic.
7. Support for Digital, Broadcasting and Media - The decrease in 2022-23 plans relates to Building Digital UK being accounted for under its own estimate heading following the organisation's transition to Executive Agency status in 2022-23.
8. Broadcasting and Media sponsored ALBs - The higher level of expenditure in 2020-21 relates to the additional funding for British Film Institute as part of the Cultural Sector Support package announced

in response to the COVID-19 pandemic.

9. Support for the Horseracing and Gambling Sector, and the Gambling Commission. The National Lottery Commission and the subsequent income it receives is recorded on a year by year basis.
10. Olympics legacy relates to the staging of the Olympic and Paralympic games 2012. This includes income from the sale of the Olympic Village, residual costs and final settlements with the Greater London Authority (GLA) and Olympic Lottery Distribution Fund (OLDF).
11. On 1 February 2019, the Birmingham Organising Committee for the 2022 Commonwealth Games Ltd was set up as an Arm's Length Body. The increase from 2020-21 reflects the step up in activity relating to the 2022 Commonwealth Games.
12. Building Digital UK planned expenditure in 2022-23 has been moved from the Support for the Digital, Broadcasting and Media sector heading following the organisation's transition to Executive Agency status in 2022-23
13. Figures for Plans for staff costs and purchase of goods and services are redacted to avoid publishing any assumptions about future price or pay movements.
14. The movements in outturn expenditure are included within the expenditure notes to the accounts.
15. The movements in outturn income are included within the income notes to the accounts.
16. The movements in grant expenditure are included within the grant expenditure notes to the accounts.
17. Depreciation includes impairments.
18. Pension schemes report under IAS 19 Employee Benefits accounting requirements. These figures, therefore, include cash payments made and contributions received, as well as certain non-cash items.

Resource AME

19. BBC Commercial Limited and its holding companies have been consolidated in these accounts.
20. Provisions, Impairments and other AME spend - The decrease in 2021-22 is due to unanticipated depreciation, revaluation and provision movements.
21. Levy Expenditure is only recorded at year end via the annual accounts, hence no forward plans data.
22. The group accounts exclude the Devolved Administrations.
23. Figures for Plans for staff costs and purchase of goods and services are redacted to avoid publishing any assumptions about future price or pay movements.
24. Pension schemes report under IAS 19 Employee Benefits accounting requirements. These figures, therefore, include cash payments made and contributions received, as well as certain non-cash items.
25. Total Resource Budget is the sum of the Resource DEL budget and the Resource AME budget, including depreciation.
26. The increase in Provisions, Impairments and other AME spend (ALB) (net) for 2023-24 relates to BBC increased provisions.
27. Depreciation includes impairments.

Capital DEL

28. Capital expenditures vary year on year and can lead to large fluctuations year on year dependent on additions and purchases, modifications of leases and movements and plans for commercial borrowings.
29. Museums and Galleries Sponsored ALBs were allocated additional Capital funding for 2016-17 in the Spending Review 2015, with reserves access granted to them as part of the new Museums Freedoms programme. The Museums Freedoms Reserves can only be accessed at the Supplementary Estimate stage and so are not yet incorporated in funding data for 2025-26. The increase since 2021-22 relates to additional funding for the Public Bodies Infrastructure Fund and

other Museums and Galleries ALB capital expenditure.

30. Libraries sponsored ALBs increased expenditure in 2022-23 relates to the British Library Leeds and Boston Spa project.
31. Support for the Arts sector reflects higher levels of expenditure in 2020-21 related to the Cultural Sectors Support Package announced in response to the COVID-19 pandemic.
32. Support for the Sports sector reflects higher levels of expenditure in 2020-21 and 2021-22 due to Sports Sector loans packages announced in response to the COVID-19 pandemic.
33. The ceremonial spend increased in the 2022-23 due to The Queen's Funeral and the Platinum Jubilee.
34. Heritage sponsored reflects higher levels of expenditure in 2020-21 and 2021-22 due to Cultural Sectors Support Package announced in response to the COVID-19 pandemic, transfer of funding to support grants distribution of the Green Recovery Fund and step up in planned activity for the High-Street Heritage Action Zones programme.
35. Support for Digital, Broadcasting and Media - 2020-21 and 2021-22 outturn is higher than subsequent years due to programmes stepping up to full delivery and funding reprofiled from previous years.
36. The decline in 2021-22 outturn is driven by technical adjustments relating to accounting for leases under IFRS 16.
37. Olympics legacy programmes relate to the staging of the Olympic and Paralympic games 2012. This includes income from the sale of the Olympic Village, residual costs and final settlements with the Greater London Authority and Olympic Lottery Distribution Fund.
38. Civil Society and Youth- The increase in 2022-23 plans relates to additional funding provided for the Youth Investment Fund.
39. Figures for Plans for staff costs and purchase of goods and services are redacted to avoid publishing any assumptions about future price or pay movements.
40. The significant increase in capital grants to persons & non-profit (net) in 2024-25 is mostly due to the British Museum's acquisition of Chinese ceramics.
41. The significant increase in purchase of assets in 2024-25 is mostly due to the British Museum's acquisition of Chinese ceramics.
42. Income from sales of assets increased in 2024-25 due to mostly due to profit on disposal relating to the British Library's St Pancras lease.

Capital AME

43. BBC capital expenditure is net of property disposals. BBC Commercial Limited and its holding companies are consolidated in these accounts. The planned increase in 2022-23 is mainly due to continued expenditure on major strategic investments, renewals and new leases.
44. This AME expenditure represents cover for commercial borrowings. In 2021-22 the negative outturn relates to a credit repayment in relation to Channel 4's credit facility.
45. Levy Expenditure is only recorded at year end via the annual accounts, so there is no forward plans data.
46. Figures for Plans for staff costs and purchase of goods and services are redacted to avoid publishing any assumptions about future price or pay movements.
47. Capital support for local government (net) decreased in 2024-25 due to distribution of lottery grants which varies year on year.
48. Capital support for public corporations decreased in 2024-25 due to the level of required borrowing for BBC and Channel Four which varies year on year.
49. Total Capital Budget is the sum of the Capital DEL budget and the Capital AME budget.
50. Total Departmental Spending is the sum of the resource budget and the capital budget less

depreciation.

51. Total DEL is the sum of the resource budget DEL and capital budget DEL less depreciation in DEL.

52. Total AME is the sum of the resource budget AME and the capital budget AME less depreciation in AME.

Table 2 – Administration budgets

Resource DEL (£'000s)	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	Outturn	Outturn	Outturn	Outturn	Outturn	Plans	Plans
Libraries sponsored ALBs (net)	7,998	7,936	7,490	7,260	6,889	9,639	
Support for the Arts sector	88	(674)	(765)	(3,122)	(1,568)	(1,370)	
Arts and culture ALBs (net)	19,876	24,311	23,273	20,135	21,506	22,610	
Sport sponsored ALBs (net)	19,281	17,532	18,058	15,172	15,882	15,796	
Ceremonial and support for the Heritage sector	601	617	1,052	640	943	800	
Heritage sponsored ALBs (net) [1]	4,717	23,464	20,095	17,733	17,968	24,113	
Tourism sponsored ALBs (net)	26,371	27,374	28,401	29,335	29,743	30,802	
Support for the Digital, Broadcasting and Media sector	7,082	10,301	6,683	2	(40)	-	
Broadcasting and Media sponsored ALBs (net)	12,904	11,431	15,547	-	-	-	
Administration and Research	111,771	92,628	151,164	102,187	106,739	135,274	
National Citizen Service	9,354	10,033	11,827	4,668	5,259	-	
Total Administration Budget	220,043	224,953	282,825	194,010	203,321	237,664	-
Of which:							
Staff costs [2]	189,699	223,363	233,079	129,687	137,786		
Purchase of goods and services	77,321	86,922	107,196	89,517	81,850		
Income from sales of goods and services	(7,813)	(11,370)	(19,343)	(21,098)	(19,528)	(4,341)	
Current grants to local government (net)	-	(115)	(98)	(160)	(245)	-	
Current grants to persons and non-profit (net)	577	2,713	875	3,601	6,100	8,360	
Net public service pensions	3,095	510	1,217	362	850	427	
Rentals	2,390	6,616	3,438	723	212	-	
Depreciation	24,468	21,986	25,904	16,485	12,031	20,383	
Unwinding of discount rate on pension scheme liab	337	248	347	278	388	-	
Take up of provisions	-	1,102	4,066	-	-	-	
Other resource	(70,031)	(107,022)	(73,856)	(25,385)	(16,123)	(35,870)	

Notes:

- Heritage sponsored ALBs shows a reduced outturn in 2020-21 due to a one-off credit in relation to the liquidation of a National Heritage Memorial Fund financial asset.
- Figures for Plans for staff costs and purchase of goods and services are redacted to avoid publishing any assumptions about future price or pay movements.

Annex B – Sustainability

Greening Government Commitments

The Department's sustainability report has been prepared in line with the requirements under the Greening Government Commitments. The tables below demonstrate our continuing commitment to sustainable development. We plan to reduce our use of materials and energy, minimise waste and water use and increase sustainable procurement to minimise our carbon footprint.

Table A – 2024-25 Performance against 2017-18 Baseline*

	2025 Government target	Position as at 31 March 2025
Greenhouse gas emissions	Reduce from Baseline	33% reduction
Waste	15% Reduction	6% reduction**
Water	8% reduction	13% reduction
Paper	50% reduction	81% reduction
Government Fleet Commitment	25% categorised as ultra-low emission vehicles	45% categorised

*The Baseline has been adjusted to exclude the BBC who were classified as being out of scope for Greening Government Commitments reporting purposes this year. The 2024-25 actual results of the BBC have also been excluded in the tables of this annex.

**This is predominantly relating to the Science Museum Group and was one-off construction waste, mainly around energy improving schemes. If the waste from this one-off construction was excluded the total waste would be 4,656 tonnes, with a 37% reduction on 2017-18 baseline and exceeding the Greening Government Commitment target as a result.

Commentary relating to the Department's current year performance is provided below.

DCMS can report that it has met four out of the five baseline performances targets for the financial year ending 31 March 2025. The waste target has been impacted by residual waste from one-off construction projects at the Science Museum Group which primarily took place in the previous financial year. Excluding this one-off waste when comparing against the baseline means that DCMS will have met all five Greening Government Commitment targets.

The Department has continued to meet its target with respect to reducing carbon emissions through working arrangements such as hybrid working and reduced travel has resulted in a reduction in carbon emissions arising from energy emissions and business travel.

Figures on building emissions (electricity, waste and water consumption) for the core department are reported as a percentage of the total figures for 100 Parliament Street based on allocated seating in the building. DCMS building emission figures are not reported in Government totals as these are already counted under HMRC's figures. As DCMS' data are indicative only statistics derived from the above exercises and may not accurately represent the Department activities as DCMS does not have control over the building wide activities of other departments based at 100 Parliament Street, or policies around building sustainability made by HMRC.

DCMS are committed to the removal of Consumer Single Use Plastics from the group estate. We have been working closely with our supply chain to maintain and monitor the removal of items such as plastic cups, drink stirrers, plastic sauce sachets and cutlery, working to ensure biodegradable alternatives are used.

The core department pays a fixed price for utilities in parts of the building and a percentage of utilities in other areas, we have used the average of the ALB's expenditure per usage to estimate the DCMS core costs for usage.

The amount and type of travel in the Department is determined by business needs and is restrained by a robust travel policy that requires all travel to be necessary and cost efficient. Lower carbon options are considered first as an alternative to each planned flight.

The Department currently operates a hybrid approach between remote and office working. Since the introduction of this working model paper consumption has fallen, resulting in a reduction against the baseline of 2017-18. DCMS continues to monitor its finite resource usage and other key metrics with support from its staff networks.

Sustainability Report - Group Performance

Data has only been included from ALBs that meet the required threshold for sustainability reporting. The de-minimis threshold is for arm’s length bodies and executive agencies occupying less than a total of 500m² of floor area and with fewer than 50 FTE staff. This sustainability report is not based on the same Departmental accounting boundary as the accounts. The ALBs exempt for 2024-25 are:

Horserace Betting Levy Board	Sports Grounds Safety Authority
Wallace Collection*	

*Wallace Collection information is not included

In 2021-22, Churches Conservation Trust, Sir John Soane’s Museum, Geffrye Museum (Museum of the Home) and UK Anti Doping and National Citizen Service Trust were also exempt from sustainability reporting and are not included in the comparative figures.

Partial information has been provided by National Museums Liverpool and Horniman Museum so the 2024-25 actuals exclude any financial indicators from these bodies.

Restatement of prior year figures

The BBC were classified as being out of scope for Greening Government Commitments reporting purposes this financial year and are not included in the current financial year group totals as a result. BBC were confirmed as being out of scope reporting on the basis of their Public Corporation status.

The tables below were restated to remove the BBC from previous reporting periods for consistency.

Table 1 - Greenhouse gas emissions

		2024-25		2023-24		2022-23		2021-22	
		Core department	Group	Core department	Group (restated)	Core department	Group (restated)	Core department	Group (restated)
Non-financial indicators (1,000 tCO ₂ e)	Total gross emissions	0.4	60.8	0.4	62.0	0.7	64.0	0.0	63.9
	Gross emissions Scope 1 (direct) (gas, oil & fuel)	0.0	28.0	0.0	27.4	0.0	30.0	0.0	36.9
	Gross emissions Scope 2 (indirect) (electricity)	0.3	27.1	0.2	28.9	0.3	29.5	0.0	25.7
	Gross emission Scope 3 (indirect) (Official domestic business travel)	0.0	2.1	0.0	3.3	0.0	2.1	0.0	1.3
	Gross emission Scope 3 (indirect) (Official international business travel)	0.1	3.6	0.2	2.4	0.4	2.4	0.0	0.0
Related energy consumption (million kWh)	Total energy consumption	2.2	317.9	1.8	298.7	2.0	310.8	0.7	330.3
	Electricity: renewable	0.0	36.4	0.0	42.1	0.0	48.3	0.0	70.4
	Electricity: non-renewable	1.2	114.0	0.9	103.2	1.2	99.0	0.1	89.8
	Gas	1.0	159.6	0.9	139.2	0.8	159.8	0.6	166.1
	LPG	0.0	0.2	0.0	0.1	0.0	0.3	0.0	0.6
	Other	0.0	7.7	0.0	14.1	0.0	3.4	0.0	3.4
Financial indicators (£m)	Total expenditure	1.6	51.3	1.7	55.3	1.3	39.9	0.0	25.1
	Expenditure on energy	0.4	42.5	0.3	45.5	0.0	32.7	0.0	23.4
	Expenditure on official business travel	1.2	8.8	1.4	9.8	1.3	7.2	0.0	1.7

Table 2 - Waste

		2024-25		2023-24		2022-23		2021-22	
		Core department	Group	Core department	Group (restated)	Core department	Group (restated)	Core department	Group (restated)
Non-financial indicators (tonnes)	Total waste	17.2	7,542.2	33.0	12,726.0	20.0	8,059.0	20.5	4,271.0
	Hazardous waste ^{1 2}	0.0	6.0	0.0	12.0	0.0	1,084.0	0.0	14.0
	Landfill	0.0	761.0	0.0	4,934.0	0.0	866.0	0.0	755.0
	Reused/ recycled	13.2	4,099.2	21.0	4,153.0	13.0	3,538.0	15.0	1,601.0
	ICT waste recycled, reused and recovered (externally)	0.0	12.0	0.0	199.0	0.0	121.0	0.0	182.0
	Composted	4.0	507.0	2.0	574.0	0.0	390.0	0.0	147.0
	Incinerated with energy recovery	0.0	1,951.0	10.0	2,651.0	7.0	1,851.0	4.0	1,439.0
	Incinerated without energy recovery	0.0	206.0	0.0	203.0	0.0	209.0	1.5	133.0
Financial indicators (£'000)	Total disposal cost ²	2.1	1,232.3	4.0	1,138.1	1.0	953.5	0.0	780.0
	Hazardous waste	0.0	16.7	0.0	10.2	0.0	11.8	0.0	14.2
	Landfill	0.0	182.7	0.0	84.2	1.0	54.6	0.0	69.1
	Reused/ recycled	1.9	576.6	3.0	524.9	0.0	403.0	0.0	287.9
	ICT waste recycled, reused and recovered (externally)	0.0	1.2	0.0	7.6	0.0	5.3	0.0	17.6
	Composted	0.2	83.7	1.0	84.5	0.0	69.8	0.0	23.2
	Incinerated with energy recovery	0.0	354.9	0.0	369.2	0.0	372.0	0.0	348.5
	Incinerated without energy recovery	0.0	16.5	0.0	57.5	0.0	37.0	0.0	19.5

Notes:

1. The British Library accounts for the majority of the hazardous waste because they carried out major construction work with a view to renew their Boston Spa Site and outdated buildings demolished in the year contained asbestos materials.
2. Total disposal costs include some costs that are not in the itemised lines. These were not provided by some ALBs due to limitations in their current service contracts, this includes the costs for British Library's disposal of hazardous waste.

Table 3 - Finite resource consumption

		2024-25		2023-24		2022-23		2021-22	
		Core department	Group	Core department	Group (restated)	Core department	Group (restated)	Core department	Group (restated)
Non-financial indicators (‘000m ³) ¹	Total water consumption								
	Water consumption (office estate)								
	Supplied	3.5	324.0	2.0	397.6	2.8	295.4	3.5	261.6
	Abstracted	0.0	8.9	0.0	0.6	0.0	26.3	0.0	7.9
	per FTE	0.003	0.022	0.002	0.017	0.003	0.016	0.002	0.011
	Water consumption (non-office estate)								
	Supplied	0.0	417.1	0.0	420.9	0.0	413.7	0.0	256.3
	Abstracted	0.0	13.1	0.0	8.9	0.0	0.0	0.0	80.6
Financial indicators (£’000)	Total water cost	13.2	2,222.4	7.4	1863.0	0.0	1,724.7	0.0	1,174.4
	Water supply costs (office estate)	13.2	944.8	7.4	831.8	0.0	618.1	0.0	602.6
	Water supply costs (non-office estate)	0.0	1,277.6	0.0	1,031.2	0.0	1,106.6	0.0	571.8

Notes:

1. Total water cost in contrast with total water consumption may not align due to timing differences in relation to the receipt of utility invoices by ALBs.

Table 4 - Air travel

		2024-25		2023-24		2022-23		2021-22	
		Core department	Group	Core department	Group (restated)	Core department	Group (restated)	Core department	Group (restated)
Non-financial Indicators ('000km distance)	Total distance travelled by international business flights	866.1	20,919.1	1,236.9	15,804.6	2,818.1	16,439.7		
	Disaggregated by category								
	Long-haul flights	651.2	17,433.9	986.0	13,035.7	2,264.6	13,844.7		
	Short-haul flights	214.9	3,485.2	250.9	2,768.9	553.5	2,595.0		
	Disaggregated by class								
	Economy	701.6	18,857.1	906.5	14,274.7	2,061.3	14,818.1		
	Premium Economy	73.7	1,296.4	118.6	810.3	318.6	699.3		
	Business	90.8	763.6	203.7	672.9	401.5	883.3		
	First	0.0	2.0	8.1	46.7	36.7	39.0		
Non-financial Indicators ('000km distance)	Distance travelled by domestic business flights	184.3	1,282.6	74.9	1,342.4	182.5	1,251.5		
Non-financial Indicators (number of flights)	Number of domestic business flights	253.0	1,433.0	102.0	1,411.0	242.0	1,182.0		

Annex C – Disaggregated information on Arm's Length Bodies (2024-25)

Arm's Length Body	Total operating income	Total operating expenditure	Net expenditure for the year (including financing)	Permanently employed staff		Other staff	
				Number of employees	Staff costs	Number of employees	Staff costs
	£'000	£'000	£'000		£'000		£'000
DCMS core department	(212,447)	6,213,255	5,982,305	1,005	76,185	106	4,528
Arts Council England \$	(265,119)	162,178	(102,675)	650	36,137	3	247
BBC PSB Group *	(359,122)	615,350	(27,390)	17,530	1,311,700	-	-
Big Lottery Fund (National Lottery Community Fund)	(908,215)	850,436	(58,110)	754	41,264	11	1,338
British Film Institute \$	(84,447)	71,944	(12,034)	618	37,410	8	284
British Library	(25,664)	(31,089)	(56,556)	1,403	73,105	31	1,014
British Museum	(962,004)	25,064	(942,469)	841	42,222	152	5,648
Churches Conservation Trust	(9,003)	8,977	(26)	72	3,994	-	-
Gambling Commission	(27,882)	31,664	3,094	376	26,965	44	1,245
Geffrye Museum Trust Limited (Museum of the Home)	(848)	635	(213)	42	1,712	-	9
Historic England	(13,543)	17,640	4,542	878	51,244	109	3,707
Horniman Public Museum and Park Trust	(1,744)	(163)	(1,907)	137	5,320	9	312
Horserace Betting Levy Board	(109,418)	99,127	(13,875)	16	1,613	-	-
Imperial War Museum	(42,964)	28,178	(14,682)	440	22,802	5	194
National Citizen Service Trust	(1,562)	2,338	772	147	10,265	1	212
National Gallery	(61,558)	28,712	(32,805)	267	21,105	114	324
National Heritage Memorial Fund \$	(375,984)	334,411	(43,800)	326	19,590	3	174
Royal Museums Greenwich	(17,718)	8,194	(9,482)	487	18,611	30	255
National Museums Liverpool	(3,220)	8,605	5,393	356	16,610	45	-
National Portrait Gallery	(20,939)	16,954	(4,058)	193	12,443	56	1,277
Natural History Museum	(43,857)	10,482	(33,779)	1,086	52,313	50	1,297
Royal Armouries Museum	(3,924)	8,289	4,365	165	6,995	1	71
S4C	(904)	(1,903)	(2,899)	115	7,387	-	-
Science Museum Group	(38,977)	43,190	754	921	42,865	11	54
Sir John Soane's Museum	(2,726)	2,289	(437)	55	2,373	-	-
Sport England \$	(235,538)	191,626	(44,447)	330	20,770	23	1,896
Sports Grounds Safety Authority	(462)	559	97	21	1,736	-	-
Tate Gallery	(86,104)	79,465	(6,321)	744	45,370	129	3,821
UK Anti-Doping	(2,436)	2,873	437	78	5,030	1	-
UK Sport \$	(94,658)	90,933	(3,852)	596	32,084	3	178
Victoria and Albert Museum	(66,071)	47,454	(22,706)	979	43,822	19	1,118
Visit Britain	(11,891)	7,975	(3,874)	204	13,398	76	5,678
Wallace Collection	(4,846)	4,237	(609)	91	4,635	2	104
Total	(4,095,795)	8,979,879	4,562,753	31,923	2,109,075	1,042	34,985

* The BBC is governed by Royal Charter and an associated Framework Agreement with Government. The Charter and Agreement set out the BBC's accountability to Parliament for use of the public money it receives whilst at the same time preserving the BBC's independence on editorial policy and programming. The definition of the BBC as consolidated in these accounts is provided in note 1.3 (Basis of Consolidation).

\$ These bodies produce an exchequer and lottery distribution account, the figures presented are an aggregate of these.

The table above provides a breakdown of total operating income, total operating expenditure, net expenditure for the year, staff numbers and staff costs for the Department and for each of the component entities consolidated within these financial statements. This table does not include public corporations as these are outside the DCMS accounting boundary, as previously described in note 24.1. Other staff numbers/costs represent categories other than permanent per the staff report (others, contract and agency, Ministers and Special Advisers).

The figures above are the final consolidated figures in the departmental accounts and therefore include any adjustments at a consolidation level, including FReM alignment adjustments and intragroup eliminations. As a result, the figures above will not agree directly to the published ALB accounts. Furthermore, the DCMS core department line incorporates intra-group adjustments so may not reconcile exactly to the DCMS core figures in the accounts (as per the accounts, the core element of the intra-group adjustments is presented in the 'group' column, but here has been allocated to the DCMS core entity).

Eight bodies within the DCMS boundary (Churches Conservation Trust, Sports Grounds Safety Authority, Horniman Public Museum and Public Park Trust, Royal Armouries Museum, Sir John Soane's Museum, Wallace Collection, UK Anti-Doping and Geffrye Museum (Museum of the Home)) have not been consolidated on a line-by-line basis on the grounds of materiality. As such, for some of these bodies their staff numbers and staff costs are not split between permanently employed staff and other staff.

Annex D – Other areas of significant expenditure

This amount has been included within the appropriate notes to the accounts (note 4.2) above.

Youth Investment Fund

£175.1m was invested in 2024-25 to create, expand, improve and level-up youth services across England. - <https://youthinvestmentfund.org.uk/>

Other areas of significant expenditure	DEL programme	DEL admin	Total DEL
	£'000	£'000	£'000
Youth Investment Fund	167,334	7,762	175,096
Totals	167,334	7,762	175,096

Annex E – Reconciliation of contingent liabilities included in the supply estimate to the accounts

Quantifiable Contingent Liabilities (non-IAS37 i.e. Remote Contingent Liabilities)

Description of Contingent Liability (see note 21.1.1 for details)	Supply Estimate £'000	Amount disclosed in ARA £'000	Variance (Estimate – Amount disclosed in ARA, £'000)	Material variance
Government Indemnity Scheme – Indemnifying objects on loan to national and non-national institutions	21,177,000	7,334,200	(13,842,800)	The values are dependent on which items are at exhibitions at a point in time and this value fluctuates.
Artworks on loan to the Government Art Collection	1,728	2,600	872	N/A
Artworks on loan from the Royal Collection	418,900	382,900	(36,000)	The values are dependent on which items are at exhibitions at a point in time and this value fluctuates.
Guarantee for the 'Borrowing facility for Historic Royal Palaces'	4,000	4,000	-	N/A
The British Library has a remote contingent liability to cover items on loan from other organisations for inclusion in exhibitions	2,500	48,000	(45,500)	The values are dependent on which items are at exhibitions at a point in time and this value fluctuates.
Gambling Commission legal costs	200	0	200	N/A

Quantifiable Contingent Liabilities (IAS 37 – included in note 21 Contingent Assets and Liabilities)

Description of Contingent Liability (see note 21.1.1 for details)	Supply Estimate £'000	Amount disclosed in ARA £'000	Variance (Estimate – Amount disclosed in ARA, £'000)	Material variance
Lottery Distribution Bodies (LDBs) - Future grant payments	538,000	670,000	(132,000)	The variance mainly relates to increased grant awards that do not satisfy the criteria of being treated as a liability.
Horse Race Betting Levy Board – Pension Scheme guarantee	30,300	30,300	-	N/A
Football Association management agreement	500	500	-	N/A
National Lottery Community Fund - The Oversight Trust	5,000	4,500	500	N/A
Science Museum Group - Pensions	-	500	(500)	N/A
BFI - Locked Box	2,600	-	2,600	This is no longer relevant
Horse Race Betting Levy Board – Great British Bonus Scheme	-	1,700	(1,700)	Identified as part of year end review as included in note 21.1.1
BBC - Pension scheme deficit recovery payments	-	125,000	(125,000)	Identified as part of year end review as included in note 21.1.1

Unquantifiable Contingent Liabilities (non-IAS37 i.e. Remote Contingent Liabilities)

Description of Contingent Liability (see note 21.1.1 for details)	Included in Supply Estimate (Yes/ No)	Disclosed in the ARA? (Yes/ No)	Explanation of difference
Olympic Delivery Authority (ODA)	Yes	Yes	N/A
Jubilee Gardens	Yes	Yes	N/A
Hague Convention and Cultural Property (armed Conflicts) Act 2017	Yes	Yes	N/A
The Royal Parks historic liabilities	Yes	Yes	N/A

Unquantifiable Contingent Liabilities (IAS 37 – included in note 21 Contingent Assets and Liabilities)

Description of Contingent Liability (see note 21.1.1 for details)	Included in Supply Estimate (Yes/ No)	Disclosed in the ARA? (Yes/ No)	Explanation of difference
The British Library - Digital Archive	Yes	Yes	N/A
The Library is dealing with two employment tribunal cases. It is not yet possible to say with certainty what any liability and related costs might be so no provision has been made in the accounts.	Yes	No	No longer relevant
A complaint has been made by a member of the public against the Library under the Equality Act 2010, alleging that the reader registration process is discriminatory because registration requires attendance onsite.	Yes	No	No longer relevant
4th National Lottery Licence Legal Challenge	Yes	Yes	N/A
British Tourist Authority – India Subsidiary	Yes	Yes	N/A
BBC - Indian Tax Survey	Yes	Yes	N/A
BBC - Media Action	No	Yes	Identified as part of year end review as included in note 21.1.2

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