

# Art Fund\_

## Annual General Meeting 2024

Held as a hybrid meeting at: Art Fund, 2 Granary Square, London N1C 4BH  
And online via: Zoom webinar  
On: Monday 20 June 2024 at 5.00pm  
Chair: Lord Smith of Finsbury

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### Attendance

Trustees present: Nigel Carrington  
Richard Deacon  
Anupam Ganguli  
Jeremy Palmer

The secretary confirmed that the meeting was quorate with 38 members in attendance in person and an online attendance of 127 members.

### Minutes of the meeting

Item 1 Chair's introduction  
Lord Smith of Finsbury

The Chair introduced himself and welcomed members to the AGM. He outlined the format and timings for this meeting and noted that for the first time, the meeting was being held as a hybrid event, with members able to participate fully whether joining online or in person. The Chair confirmed that in January 2024, members voted to approve amendments to Art Fund's Royal Charter with the Privy Council approving these amendments on 22 May 2024 giving Art Fund a now fully modernised governing document. One of the key changes allows Art Fund to hold hybrid AGMs.

The Chair thanked his fellow trustees for the time they've given this year and the Art Fund staff team for the work they do to support museums. Art Fund celebrated its 120<sup>th</sup> birthday in 2023 and the Chair thanked all members who, as the bedrock of the organisation since its foundation, have allowed Art Fund to connect museums and people with great art and who make all of Art Fund's work possible through their membership.

The chair welcomed Sandy Nairne to the meeting who will be taking over as Art Fund Chair in the Autumn. Sandy was elected through a thorough and transparent process led by Trustees and brings a wealth of experience and passion to the role.

The Chair extended his welcome and thanks to His Majesty King Charles III who, as announced last month, has become Art Fund's new patron. Art Fund are delighted to have such a great supporter and champion of public access to art and heritage as Royal Patron for the future.

Item 2 Presentation of the accounts for the year ending December 2023  
Jeremy Palmer

Jeremy Palmer, Treasurer, added his thanks to members for their important, continued support and commended the generosity of Art Fund's supporters and those who leave a legacy in their will. All of which

put Art Fund in a strong financial position and well placed to deliver a wide-ranging charitable programme in 2024.

The Treasurer confirmed that in 2023, the Covid pandemic continued to negatively impact museums and galleries. Both visitor figures and income were still recovering. Consistent with 2022, museums and galleries also continued to navigate heightened inflation and cost of living concerns impacting both visitors, employees and business models.

Throughout this difficult period, Art Fund's priority has been to continue to respond to the sector's needs and support museums, galleries and historic houses across the UK. As a result, the Board again made the strategic decision to operate at a financial deficit in 2023, consistent with 2022 and again funded by Art Fund's accumulated cash reserves. The Treasurer confirmed that overall, Art Fund's finances continue to exhibit resilience and the reserves position remains good. In 2023 the charity focused on cost savings to offset rising costs and benefitted from strong returns on the investment portfolio.

The Treasurer shared detail on Art Fund's income over the year ending December 2023. Membership income, which reduced in 2020 and 2021 due to Covid-19, is increasing but has not yet recovered to pre-pandemic levels. Total income however increased to £16.3m in 2023 (2022: £13.9m) with legacy income increasing to £3.6m (2022: £3.3m) and donations increasing to £4.3m (2022: £2.8m). Donation income was driven in part, by a substantial donation to increase the Rought Fund.

The Treasurer then updated members on Art Fund's expenditure. Total Support costs have reduced in 2023 compared to 2022 but increased marginally as a percentage of total costs due to lower total expenditure in 2023. Art Fund is focussed on delivering the greatest possible public benefit to the widest possible public. This required Trustees to keep support costs and overall return on investment under close scrutiny. In 2023 Art Fund's support costs reduced to £2.8m (2022: £3.0m) inclusive of associated staff costs as the charity focused on savings to offset rising costs generally due to inflation and cost of living pressures.

The Treasurer confirmed that Art Fund's grant-giving programme continued to provide vital funding every year to help museums acquire and share works of art across the UK, support the professional development of curators, and inspire more people to visit museums. Overall, in 2023 the total value of Art Fund's charitable programme was £18.2m (2022: £19.7m). Of this total, grants for acquisitions were £3.8m (2022: £4.5m) and a further £2.5m (2022: £1.6m) was also committed to support funding art.

Audience making spend was £10.3m (2022: £9.9m) including £6m (2022: £6.1m) to promote museum visiting through the National Art Pass and servicing the membership of 135,000 individuals (2022: 135,000)

Item 3                      Director's review  
Jenny Waldman

Jenny Waldman, Director of Art Fund, thanked everyone who had joined the meeting to hear more about Art Fund's work over 2023. The Director confirmed that the organisation is now halfway through an ambitious five-year strategy, which centres on three principal activities: funding art, engaging audiences, and championing museums. Through a robust business plan, Art Fund are also growing digital capability, developing a more inclusive workforce, and embracing best practices in environmental sustainability.

The Director thanked all Art Fund colleagues for their hard work, and the dedicated Board of Trustees for their guidance and support. The Director personally thanked Lord Chris Smith for his remarkable 10 years as Chair. His unwavering support and numerous achievements have been instrumental in driving Art Fund forward, and the whole organisations is deeply grateful for his dedication and leadership.

The Director shared a few highlights from Art Fund's charitable programme over the past year, as detailed in the annual report. Funding Art remains the organisation's primary objective as it has been throughout its 120-year history. The Director explained that it is a priority to fund a wide range of work in different forms and drawing on diverse traditions, ranging from acquisitions of ancient treasure and old masters to contemporary work and commissions by living artists, thereby supporting new developments in artistic practice. The Director thanked those individuals and funders who support this vital area of work.

In 2023, Art Fund committed £3.8m to funding acquisition of works to museums and galleries across the UK and shared some personal highlights from the many acquisitions and commissions Art Fund have helped into public collections with members' support.

The Director shared that Art Fund continue to help grow audiences for UK's museums and galleries through creative campaigns and highlighted a number of initiatives from the past year which emphasised the power of art and collections: how they can highlight biodiversity loss, bring communities together and positively influence emotions. These highlights included *The Wild Escape* which reached over 1.1 million visitors in museums and 16.9 million online and the launch of Art Fund's Teacher Art Pass.

To mark Art Fund's 120-year anniversary, the *Making Connections* appeal was launched in October 2023, which asked supporters to help commit £1.2 million to community-focused museum projects, helping museums make a difference for their local communities and encouraging more people to access and enjoy the UK's museums for years to come. The Director thanked all members who have donated to this appeal.

In November 2023, The Director shared that the Brainwaves project was launched to illustrate the impact art can have on people's brains and emotions. The project was launched at the Courtauld Gallery and the Brainwaves tour is continuing at the Holburne Museum, Bath, Watts Gallery, Guildford, The Hepworth Wakefield, Chapter, Cardiff, National Galleries Scotland and Compton Verney, in Warwickshire.

Finally, the Director reminded members of Art Fund's work to champion and empower museums by supporting them to reimagine new ways of working, advocating on their behalf with governments and local government, seeking partnerships that can benefit the sector and celebrating their achievements with the wider public. In the past year, with funding from The Headley Trust and other supporters, Art Fund awarded £800,000 in Reimagine grants to 21 museums for creative projects that will help them to support their workforce at a particularly difficult time. Museum of the Year, Art Fund's annual celebration of the extraordinary work museums do saw the 2023 prize was awarded to the Burrell Collection in Glasgow.

#### Item 4                      Questions                                  Lord Smith of Finsbury

The Chairman opened the 'question and answer' section of the meeting. He noted that three questions had been received in advance, and these would be answered first. Any member who wished to ask a question during the meeting was invited to do so via the Q&A function of the online platform. The Chairman indicated that the panel would answer as many questions as possible in the time available and that any member with a question outstanding at the end of the meeting would receive an individual response in the next seven days.

The first question received in advance noted that all museums, but in particular the smaller museums, are suffering from a falling footfall post covid and as a result have significant revenue pressures on them. Free entry (courtesy of the Art Fund) is good but it does mean a significant loss of revenue for the small museums. The member asked whether Art Fund are aware of the pressures on the smaller museums and if so, what they are doing to help them?

The Director took this question, confirming that footfall for museums has reduced since the pandemic but that Art Fund's 2024 Museum Directors Research found that overall visitor numbers are on the rise, with over half of all venues at or above pre-pandemic levels. The Director confirmed that this does not take away from that fact that museums continue to be under pressure, as confirmed by that same research. This pressure is due to static funding combined with inflation, rising energy bills, supply chain increases, competition for additional funds, and delivering fair wages.

Art Fund are supporting smaller museums through programmes such as Going Places which has established networks of small to mid-sized museums to produce touring exhibitions over five years, and the Reimagine programme which this year funds projects that help Local Authority reliant organisations reimagine their approach to partnerships. Through Reimagine Art Fund are also working with MDUK to distribute £200,000 of Art Fund support specifically targeted at small to medium museums. Art Fund also promote smaller museums through *Art Quarterly*, *Art In Your Inbox* and Museum of the Year to drive visitor numbers and are advocating with policymakers across the UK to ensure they recognise the social and economic value of museums and sustainably fund the sector.

The Chair shared the next question received in advance is from a member who lives near the Sainsbury Centre for Visual Arts at UEA. Recently they have introduced a pay what you can/feel sliding scale, which is proving popular and making enough money. The member asked what the panel feel about these sort of charging plans.

The Chair answered this question, agreeing that admission cost is a key barrier to entry for museums and that free entry should be protected and expanded. The introduction of free entry to national museums and galleries in 2001, supported by Art Fund, led to a substantial increase in visitor numbers and has remained a major cultural policy success. To enable more museums to afford free entry, Art Fund is calling for an urgent review of the funding structures for museums, with more core funding made available to every area with less application bureaucracy.

Depending on each museum's operational and funding structures, Art Fund see a variety of ticketing models and policies across their network of museum partners. This includes 'Pay What You Can/Pay What You Feel' models. A mixed model of charging for non-national museums that would support them to have some aspect of their offering which is free to enter, would support both visitor access and allow for museums to continue to grow their income generation streams on aspects of their visitor offer.

Art Fund's National Art Pass, Student Art Pass and Teacher Art Pass discounts will continue to reduce financial barriers where there is ticketed entry and Art Fund continue to emphasise that joining as a National Art Pass member is more than a financial decision; it's a commitment to nurturing the UK's arts and heritage.

The Chair shared the final question received in advance which related to Art Fund's recently launched guide to giving: *Everyone is a Winner*. The member asked how significant giving and selling works of art to museums and galleries is for Art Fund.

The Director confirmed that this guidance of giving was published in December 2023, jointly with Arts Council England. It provides information on the various services and incentives that exist to encourage and enable the gifting of works of art from private to public collections. It covers schemes administered by ACE and HMRC as well as Art Fund's gifts and bequests programme.

The Director confirmed that these schemes are incredibly important for UK collections, allowing them to acquire top quality works of art that they might otherwise be unable to afford. ACE holds a budget of £40m worth of tax that they can forgo through Acceptance in Lieu and the Cultural Gifts Scheme. That's £40m that museums are not having to pay. In the face of repeated budget cuts, these schemes become

even more important for museums. Effective tax incentives also help to keep great works of art in the UK, preventing them from getting to the point where they need to be export stopped. The Director confirmed that Art Fund is committed to working with ACE, DCMS and HMRC to amplify and improve the schemes so that we can help even more extraordinary works of art to join collections across the UK.

Item 5            AOB  
                    Lord Smith of Finsbury

As there was no other business, the Chair thanked members for attending and brought the formal portion of the meeting to a close.

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The meeting was followed by an informal 'in conversation' with the Chair, hosted by Martha Kearney.

An Appendix to the minutes is included detailing all unanswered questions asked online at the meeting and subsequently answered directly with the relevant members.

## Appendix to the Minutes of Art Fund's AGM 2024

### Questions received at the AGM online

Q: Please tell us more about Art Fund's life membership scheme

Any member can choose, on renewing membership to become a life member. Visit the NAP landing page [here](#) and go to the bottom of the page. Click the down arrow that says 'Teacher, Student & more' and it gives you a drop down box showing 'Life Individual' membership (£2,300) and 'Life Double' membership (£3,500).

Q: Is there a plan to house 'Brainwaves' somewhere permanently after touring ? It's such a fantastic exploration and one that should increase engagement

We don't have any plan to house 'brainwaves' somewhere permanently after touring. We will keep the headsets/technology though so that we can use them again in future if appropriate.

Q: I wonder if the Art Fund is not perhaps mistaken in its approach which seems to be a rather scatter-gun. Should we not use our funds more carefully? By concentrating what we have we might have been able to afford purchasing the Omai outright, rather than buying so many lesser items and pursuing the popularising of museums and other activities. I am suggesting a tilt in this direction, not a radical change.

We regularly consider how Art Fund can make the best use of its resources and the support of our members and donors to help museums. Should we spend more money on fewer acquisitions or spread the money to smaller museums and those outside London for which a 'lesser' item, as you describe them, might make a huge difference to their collection? Should we focus more of our resources on acquisitions or help ensure that people visit and see the remarkable collections housed in our museums, galleries and historic houses. This has been a particular concern since the pandemic, with half our museums reporting that visitor numbers remain below 2019 levels.

Our five-year strategy, 2022-27, sets three key objectives which are based on Art Fund's successful history and on what museums tell us they need:

Funding art - helping museums develop their collections and develop the curators who do so much to acquire, research and interpret the collections;

Growing audiences - encouraging more people from all walks of life to visit museums and to join Art Fund as members; help reconnect schools and museums post-pandemic and for teachers to use museums in their teaching practice;

Amplifying and advocating for museums - through Museum of the Year and other advocacy to celebrate and advocate for museums and all they contribute to a healthy society.

The trustees have committed to increasing each year the sum we allocate for acquisitions, as funding art is so central to all that Art Fund does. We can have a big impact through supporting a major acquisition with a grant early in the fundraising period and supporting the acquiring museum to raise funds from a range of other sources. Art Fund's decision to award a grant is influential with other funders and donors. We found this particularly with Omai, when we awarded the largest grant in Art Fund's history and this helped other funders have the confidence to do the same.

You suggest that we might have gone further and bought the painting outright. That would have taken nearly every penny from our reserves and left us in a very fragile position. I believe we got it right on that occasion but, as you know, it gets harder each year as prices for such valuable works of art increase to eye watering levels. It has never been more important for all of us to come together to save these great works of art for public collections where everyone will be able to enjoy them now and in the future.

Q: Please consider more events that can be joined from around the country, you have recently given access to exhibition films which was lovely but it would be nice to have further live zoom talks

We are so pleased members were able to join and enjoy our AGM and 'in conversation' with Chris Smith online last week. We have run several online events over the past few years through our Art Pass Live programme as well as access to exhibition films as you point out. We are always looking for new ways to engage members with the museums and galleries we support and will keep our members up to date with future plans. It is really useful to know that you would be interested in more of these live online events.