

COMPANY REGISTRATION NUMBER 877987

ARNOLFINI GALLERY LIMITED

ACCOUNTS

PERIOD ENDED 31 JULY 2020

Charity Number 311504

BURTON SWEET

Chartered Accountants & Statutory Auditor
Cooper House
Lower Charlton Estate
Shepton Mallet
Somerset
BA4 5QE

ARNOLFINI GALLERY LIMITED

NOTES TO THE ACCOUNTS

PERIOD ENDED 31 JULY 2020

CONTENTS	PAGE
Trustees' annual report	1
Independent auditor's report to the members	16
Statement of financial activities (incorporating the income and expenditure account)	19
Balance sheet	20
Cash flow statement	21
Notes to the accounts	22

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT

PERIOD ENDED 31 JULY 2020

The trustees, who are also directors for the purposes of company law, present their report and the accounts of the charity for the period ended 31 July 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Arnolfini Gallery Limited
Charity registration number	311504
Company registration number	877987
Principal and registered office	16 Narrow Quay Bristol BS1 4QA

The trustees

The trustees who served the charity during the period were as follows:

L Daly (Chair)	(appointed 1 February 2019)
A Comley	(appointed 1 February 2019)
M Farmer	(appointed 1 February 2019)
R Fleetwood	(appointed 1 February 2019)
G Heron	(appointed 1 February 2019)
A Ilyas	(appointed 11 May 2020)
C Pelleceur	(appointed 11 May 2020)
J Roscoe	(appointed 1 February 2019)
W Taylor	(appointed 11 May 2020)

Auditor	Burton Sweet Chartered Accountants & Statutory Auditor Cooper House Lower Charlton Estate Shepton Mallet Somerset BA4 5QE
----------------	--

Bankers	Bank of Scotland 21 Prince Street Bristol BS99 7JG
----------------	---

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT (continued)

PERIOD ENDED 31 JULY 2020

Solicitors Stone King LLP
13 Queen Square
Bath
BA1 2HJ

STRUCTURE GOVERNANCE AND MANAGEMENT

Trustees

The board of trustees is responsible for the overall governance of the Charity. Trustees of the Charity are also the directors of the charitable company for the purpose of the Companies Act 2006. Trustees are recruited for their expertise and experience; a skills audit is conducted annually.

New trustees receive an induction pack and are inducted to the workings of the Charity by the Executive. There is an annual update for trustees to keep them abreast of changes in relevant law and practice. Trustees are appointed for a term of three years and can be re-elected to serve for one further term.

The full board of trustees meets bi-monthly to review strategy, policy, operational performance against objectives, budgets and financial performance, as well as at key points in the organisation's development as and where necessary.

Executive

The executive team at Arnolfini is led by the Executive Director, Gary Topp. The team was reorganised in 2019/20 to reflect the ongoing requirements of the organisation in line with the business plan:

Rosie Ashby: Head of Visitor Services
Sara Blair: Head of Marketing & Communications
Kieran Swann: Head of Programme (resigned June 2020).
Marie Voller: Head of Business Services

Group Structure and Relationships

The Charity has a wholly owned subsidiary, Arnolfini Trading Limited. In 2019-20, the trading company recorded the financial transactions arising from sales in the bookshop, private hires and tenancy rentals and income received from the cafe bar which continues to be operated by an external operator, the Bristol Brewing Company Limited (trading as the Bristol Beer Factory).

The Bristol Brewing Company pays Arnolfini a rental fee for leasing the café/bar premises and a percentage of turnover. Any surplus profits of the trading subsidiary are gift-aided to Arnolfini Gallery Limited.

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT (continued)

PERIOD ENDED 31 JULY 2020

On the sale of Bush House in July 2015, a second wholly owned subsidiary was established, Bush House Building Services Ltd (BHBS), to manage the operation of the building on behalf of the landlord, the University of the West of England, Bristol. As a building management company, BHBS receives a service fee from the landlord for its services, with Arnolfini Gallery also contributing towards these management costs.

The Ashley Clinton and Barker-Mill Trust (ACBMT) continued to provide on-going financial support to Arnolfini of £139,167 during 2019-20 in the form of a grant.

2019/20 saw a process of review of the above structure in line with the conversion to a Charitable Incorporated Organisation and UWE, Bristol becoming sole member. Whilst the CIO conversion was not completed within the year it has facilitated changes in the management arrangements for Bush House as part of the conversion process.

Risk Management

The trustees are responsible for overseeing the management of risks faced by the organisation. A formal review of the Charity's risk management processes is undertaken by the Board on a regular basis. The full risk register is examined by the board of trustees on a quarterly basis.

The key risks that the organisation faced during this period were:

- Need to re-establish three-year funding arrangement with Arts Council England in line with Bristol Visual Arts Review
- Secure arrangements with UWE, Bristol for management of Bush House
- Agree refreshed business plan (including a clear financial plan) and implement successfully

The trustees continued to oversee the shift from interim transition plans to the agreement, sign off and delivery of the new business plan signalled by the successful re-opening of the organisation in September 2019.

Covid -19 and risk management. The unforeseen and unprecedented impact of a global pandemic inevitably proved to be the biggest risk to Arnolfini in the 2019/20 year. Arnolfini, in line with government guidance, closed its doors on the 20th March as the UK entered a period of 'lockdown'. This initiated an intense period of risk mitigation as we utilised the new government support mechanisms including the furlough scheme and proceeded to monitor, adapt and review the business plan to facilitate reopening once there was government advice and guidance to do so, in July.

Remuneration

The year included the restructure of the senior management team and the Board took direct oversight of all pay structures as part of this review. The Executive Director's pay was benchmarked against similar organisations and also took into account the relationship to Higher Education pay scales and the Executive Director's additional position as a 'fellow' of the University.

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT (continued)

PERIOD ENDED 31 JULY 2020

AIMS AND OBJECTIVES

Arnolfini is Bristol's International Centre for Contemporary Arts committed to presenting an ambitious, eclectic programme of visual art, performance, dance, film and music, carefully programmed to appeal to a broad audience.

Charitable Objectives

The principal objective of the Charity is the education of the public through the promotion and presentation of contemporary art. This is achieved through exhibitions, performance, dance, film, literature, poetry and music, supported through associate engagement and events programmes.

Public Benefit

In reviewing the aims and objectives, and in planning forthcoming activities, the trustees have considered the Charity Commission's general guidance including the guidance on public benefit and fee charging.

Entrance to our galleries and exhibitions is free to all visitors. In determining the ticket pricing for events staged in the auditorium and related spaces, careful consideration is given to the affordability, audience access and the organisation's aims for the development of their engagement. Concessionary ticket prices are offered for the majority of events programmed by Arnolfini. In addition, Arnolfini works with a range of partners to create and deliver projects in a number of community and partnership settings.

Overview

2019/20 was an important year for Arnolfini signalling the successful realisation of several major initiatives and relationships to create the foundation for its future operations. Significant key milestones were achieved: financial restructuring including a major three-year funding agreement with Arts Council; a positive repositioning in its working relationship with UWE, Bristol accompanied by changes to its governance and staffing structure. All of these changes facilitated an increasingly active, popular and eclectic set of cultural programming ranging from major exhibitions to a significant events and engagement programme. Our approach to cultural programming was underpinned by a new approach to our business management systems including financial management, income generation and HR systems. All elements of the business were significantly impacted by COVID 19 from March onwards.

Key aims and drivers

The central aim for Arnolfini in 2019/20 was simple in its ambition (to reopen as a functioning cultural centre with a high-quality gallery exhibition programme at its heart) but required a series of complex change management tasks that needed to be achieved by the target September date.

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT (continued)

PERIOD ENDED 31 JULY 2020

These tasks covered all of the main elements of the business- from commercial activity to reigniting our programming, from building the foundations of our University partnership and new governance arrangements, to reorganising our finances and our staff team. The early months of the year were entirely focussed on making significant changes happen at speed and with diligent attention to detail.

The work was driven by the new executive leadership team, the new Board of Trustees and the underpinning relationships with Arts Council England and the University of the West of England, Bristol.

PRINCIPAL ACTIVITIES AND ACHIEVEMENTS FOR THE YEAR

Overview

This year was about animating as many of Arnolfini's spaces and relationships as possible and signalling its return to a fully functional cultural space.

The return of major visual arts exhibitions in our galleries will always be the 'signature' events for Arnolfini but our goal has also been to grow the range and breadth of our performances, talks, events, screenings, and community activities. This deliberately eclectic approach, both populist and challenging in equal measure, sets the future direction for Arnolfini's cultural programming.

Whilst the cultural programme work remains the public face of Arnolfini it is supported by a set of business management systems that also underwent a series of important and significant changes during 19/20 designed to build long term sustainability into the organisation.

Building our UWE, Bristol partnership.

This year marked the most active and public facing year of the Arnolfini/ UWE partnership; designed to explore ideas, build confidence, and embed the work of Arnolfini firmly alongside the ambitions of our University partner.

Our work involved multiple joint platforms covering everything from drawing workshops to PHD support, to symposiums and the continuation of the Art in the City international lecture programme. The groundwork and background strategy for future working has been agreed and this will enable future working on projects, branding, international relationships, access, and diversity to be rolled out at the heart of Arnolfini's cultural programming. Even though the COVID -19 lockdown impacted our programming we were able to jointly host a highly successful online artists' book festival organized in April with the Centre for Fine Print Research which attracted participants from all over the world and continued our longstanding artists book collaboration.

As part of this work the Executive Director also became the Inaugural Arnolfini Fellow at UWE, Bristol.

Gallery Exhibitions

We soft-launched the main galleries in summer 2020 with a pop-up show featuring the work of local photographers and Martin Parr in collaboration with St Paul's carnival. The exhibition was 'scatter hung' (including an Instagram wall) and live printed in the gallery.

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT (continued)

PERIOD ENDED 31 JULY 2020

In September we opened 'Still I Rise: Feminisms, Gender, Resistance- Act 3' as our 're-launch' exhibition. The exhibition focusing on the his/her story of resistance movements and alternative forms of living from a gendered perspective. This was a fresh edit (Act 3) of the exhibition curated by Nottingham Contemporary and De La Warr Pavilion. This major group exhibition looked at resistance across different times, places, and scales: from the domestic sphere to large-scale uprisings. Establishing intersectional thinking as its driving method and incorporating feminist and queer thought and action, Still I Rise spans the late 19th century to the present and beyond.

With over 100 exhibits by some 70 practitioners, Still I Rise presented the way in which resistance has been approached by visual artists, writers, architects, designers, activists, working as individuals or in groups. It takes place within a global context, referring to both key historic moments and recent women-led uprisings and demonstrations, including mass protests in Argentina confronting violence against women: 'Ni Una Menos', and the global Women's Strike initiated in the US.

Throughout the exhibition, Arnolfini also hosted a programme of performances, screenings, workshops, and conversations, creating a site for participation and a platform for multiple voices.

In 2020 we welcomed in the new year with two new exhibitions, Angelica Mesiti's film installation Assembly (fresh from the Venice Biennale) and Bristol-based Iranian photographer Amak Mahmoodian's Zanjir, both of which explored stories of migration. Zanjir marked a poignant moment in Arnolfini's history, working with a Bristol-based artist to explore themes of international relevance. This deeply personal exhibition transported visitors into a world of myth and memory, framed around evocative portraits of family and friends alongside archival images (from the Golestan Palace in Iran), drawn from the recently published photographic publication of the same name.

A collaboration between Mahmoodian, Alejandro Acin of IC Visual Lab, and Arnolfini, the exhibition presented complex ideas about identity, home, exile and family, which were further brought to life through family workshops, storytelling sessions and relaxed openings with the visually impaired community, each providing a new point of access to what proved to be a particularly timely topic.

As a lecturer at UWE, Mahmoodian (who was born in Shiraz and completed a practice-based doctorate in photography at the University of South Wales, having previously studied at the Art University of Tehran) continues her relationship with Arnolfini as part of the Board for the newly-launched Bristol Photo Festival.

Angelica Mesiti's Assembly arrived at Arnolfini immediately after its internationally acclaimed presentation at the Venice Biennale in the Australian Pavilion. Assembly is a large scale, three-channel video installation within an architectural setting inspired by the historical shape of the community circle and amphitheatre.

ASSEMBLY establishes an evolving set of translations from the written word to stenographic codes then music, and performance. Filmed in the Senate chambers of Italy and Australia, the three screens of ASSEMBLY travel through the corridors, meeting rooms and parliaments of government with performers imagining a community of movement, poetry

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT (continued)

PERIOD ENDED 31 JULY 2020

and song. ASSEMBLY explores the need to come together democratically across many nations, to speak differently, act together, and form new assemblies.

In presenting Assembly Arnolfini was determined to engage in the currency of the international contemporary arts world and at the same time engage further in the contemporary issues of our home region and city. The dual approach, local and international, will continue to characterise Arnolfini's programme beyond these initial shows.

Communities and Engagement Work

Alongside the many activities designed to animate and explore our exhibitions we continued to run our Now or Never youth group. The Now or Never programme formed a collection of 15-18-year olds to make art that challenges the way things are and re-imagines a future of possibilities. The programme aims to equip young people with the knowledge of higher education and potential future pathways, the understanding of skill requirements for study and future life, and the ability to develop self-reflection, self-awareness, and self-belief.

Although the project needed to be paused as part of the COVID-19 lockdown we have swiftly moved to initiate its next phase and it will restart in Autumn 2020 as 'Find Your Way'.

The Paul Hamlyn funded project, **City Fellows**, was also delivered in this year. The project engaged local artists and colleagues PeCo Theatre (visually impaired) and Fozia Ismail (Somalian community of Bristol) to work with specific communities and develop a series of creative works and outcomes to inform future practice at Arnolfini.

Fozia Ismail's Camel Meat and Tapes looked at stories shared by families of the Somali Diaspora, through the exchange of self-recorded cassette tapes and Muqalmad (dried camel meat – an important part of Somali nomadic culture) between Somaliland and the UK both during the civil war and after. By sharing tapes family and friends would communicate and connect, bringing intimate voices of loved ones via analogue technology and across hostile borders- into each other's homes. PeCo theatre collaborated with the visually impaired community on Could this be the place uncovering how the organisation and design of Bristol impacts upon our relationship to the city. PeCo theatre brought visually impaired people together with sighted partners to travel together, recording their experiences as they navigated their way through the city.

Families programme at Arnolfini

This year we have offered a flexible programme ranging from free, self-guided activities through family guides and online resources, big family events attracting over 100 participants in our drop-in style workshops and storytelling sessions and booked hands on making workshops through our We Are Family programme.

Arnolfini Archive

This annual report period has covered the last year of activity funded by a grant from the National Lottery Heritage Fund. After the previous 18 months which focused on in-depth

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT (continued)

PERIOD ENDED 31 JULY 2020

archive work (digitization and cataloguing) and work with local schools, this final period allowed us to develop a public programme around the project. We ran three events: a screening of footage of performances which took place at Arnolfini over the last thirty years, selected and introduced by guest performers (24/07/2019); a symposium exploring the exhibition Trophies of Empire which toured to Arnolfini in the 1990s, accompanied by an archival exhibition (05/10/2019); and the premier of a film by local artist Laura Phillips, commissioned to examine histories of feminism in and around Arnolfini (14/12/2019). In addition, we published a booklet created by a young people's group who have been involved in the project since the start and began the redevelopment of the archive and heritage section on our website. All of this stands us in good stead for the work we plan to do to mark Arnolfini's 60th anniversary in 2021.

Collaborations:

Collaborations were a key part of Arnolfini's cultural programme and this reporting period brought both new collaborations and a refreshed commitment to existing ones. We have continued to host events with long-term collaborators including the Architecture Centre and the West of England Design Forum. In addition, we rebooted our relationship with South West Silents, with film screenings in February and March, and the Asian Arts Agency, which led to two very successful sell-out performances. We worked with colleagues at the University of Bristol's Theatre Collection to run a study day, film exhibition and young artists' workshop looking at the work of performance artist Franko B (5-8/03/2020).

In Between Time festival remained a signature collaboration for Arnolfini and we hosted a number of festival (Summit) events in 2019 including Cigdem Aydemir's The Ride. It also marked the beginning of a new long -term collaboration between the two organisations.

Business services improvements

2019/ 20 involved a wide-ranging review of all business systems, income opportunities, IT infrastructure and HR functions to move the organisation onto a long-term stable footing. Throughout the year this was characterised by a determination to modernise our systems and processes to underpin a more agile and lower overhead set of core costs to give maximum opportunity to invest in our cultural programming whilst preventing any cost escalation.

Managing our finances

Throughout the year we built an increasingly robust approach to cost control and financial reporting that allowed consistent month on month review and mitigating actions to occur. As a result, our initial budgets, captured in the new three-year business plan, proved reliable and robust and the Trustees monitored this closely at each Board meeting. A new management accounts and reporting process was implemented alongside increasingly robust reporting and sign off procedures.

Development, Commercial and Fundraising

In line with our business plan a new approach to income generation and commercial activity was introduced to blend traditional fundraising and income generation with our

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT (continued)

PERIOD ENDED 31 JULY 2020

approach to commercial activity and future opportunities.

In late 2019, we recruited a Development Manager, supporting our Executive Director and Head of Business Services, to lead on the development of all income strands.

Our approach for driving income in 2020-21 will be embedded in research, evaluation and processes whilst being led by temperate relationships at all levels.

IT systems

Arnolfini's IT system was almost ten years old, desk top based, and lacked the capabilities required for a small dynamic high output team. In early 2020, coinciding with the challenges of 'lockdown', we were able to invest in a completely new laptop/ mobile cloud -based operating system and to upgrade our building and wi-fi infrastructure.

Human Resources

As part of our ongoing commitment to staff welfare and development we created a management culture, and a new HR position in the team, to manage, improve and review all aspects of our people culture. This work has led to an ongoing review of all policies, best practice recruitment protocols and ongoing staff development and support structures. The implementation of the 'furlough' scheme, and subsequent return to work processes, added an additional challenge into our staff practices for the year.

Licences- café-bar and office space

A key part of the 19/20 business plan included the retention of licence holders (tenants) in four offices in the building plus the licensing of the cafe bar function. Each of these licences was renegotiated during the report period to provide a stable income stream in line with our budgets. The café bar licence was re-negotiated for a five- year period. Towards the end of the year, and again associated with the impacts of the COVID-19 lockdown, the agreements were variously terminated or subject to review to meet the impacts of the pandemic. This area of Arnolfini's business is likely to remain unresolved pending a resolution to the wider societal challenges and our need to further review our business practices as a result.

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT (continued)

PERIOD ENDED 31 JULY 2020

ACBMT

Overview

Arnolfini Gallery is supported by a linked charity, the Ashley Clinton Barker Mills Trust. The Trust has an independent board of Trustees chaired by Thomas Sheppard. The Trust has been in receipt of funds in a variety of ways historically but the majority of the current funds (see balance sheet) are derived from the sale of Bush House to University of the West of England, Bristol in 2015. As the brief history below outlines this reflects the way that Bush House was originally purchased via the Trust in 1975.

The Trust's principal object is to 'support' Arnolfini and it does this in two ways: by utilising the interest from its investments to make quarterly payments and by holding a small fund for one-off capital grants.

History and relationship

Arnolfini founders Jeremy and Annabel Rees were first introduced to the artists and benefactors Peter and Caroline Barker-Mill in 1963, by the London gallerist Lesley Waddington. It was a fortuitous meeting that was key to allowing Arnolfini to develop from a small volunteer-run private gallery into a major international arts centre.

Peter Barker-Mill was the first elected Chair of Arnolfini's Council of Management. Key to cementing this commitment was seeing Jeremy's New British Sculpture Bristol (1965), curated as an early instance of contemporary sculpture being exhibited outside in public spaces across the city centre, accessible to people whether they thought they were interested in art or not. It is not difficult to connect this with the values Peter Barker-Mill learned during his training at the Grosvenor School, a progressive art college in Pimlico which from 1925-1940 championed printmaking as a means to make art works of the highest standard affordable for a broad audience. In 1967, he would initiate the Peter Barker-Mill Trust, to provide funding for Jeremy to leave his post teaching typography at the Bath Academy of Art and run Arnolfini as Director full-time.

The Barker-Mills remained dedicated, hands-on Council members throughout the dynamic early decades of Arnolfini, which would see it rapidly expand – Annabel remembers Peter and Caroline laying carpet tiles in the W-Shed, Arnolfini's home from 1973-75, where Arnolfini's cinema programme began. They were key to securing Arnolfini's move to Bush House, our home since 1975. And in 1979, they generously gifted farmland from Peter's family estates near Lymington, in Hampshire, the rental income from which would support the expenses of running an expanded organisation which by this time was attracting hundreds of thousands of visitors per year. Later, this land would be sold to support the purchase of Bush House in 2001, prior to the major redevelopment which created Arnolfini as we see it today.

The Barker-Mills supported other public arts organisations in the city, including the Bristol Old Vic, and Arts Space Studios, as well as supporting Nature Conservancies in Hampshire and Somerset. They also maintained their careers as artists, with Peter being commissioned to create a memorial for the Tank Corps at Bovington in Dorset.

ACBMT Activity 2019/20

This annual report details two forms of investment from the Trust: Quarterly payments derived

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT (continued)

PERIOD ENDED 31 JULY 2020

from investment income totalling £69,167 and a one-off grant of £70,000. The capital grant covered development costs to help drive new income streams and contributed towards core staffing costs and business planning support to enable the organisation to implement its transition plan.

ACBMT Trustees:

Trustees:

- Thomas Sheppard (Chair)
- Jim McAuliffe (resigned May 2020)
- Geoffrey Clements
- Fiona Hallwood (appointed May 2020)
- James Myatt
- Derrick Price (appointed May 2020)
- Anna Southall

FINANCIAL REVIEW

The total income of the charity from all sources was £1,425k (2019: £765k) of which £1,373k (2019: £662k) was unrestricted. Total expenditure was £1,229k (2019: £859k) leaving net income on all funds of £383k (2019: deficit £3k).

The trading subsidiary's turnover in 2019/20, which includes private hire income and the operation of the café bar and the bookshop, was £476k (2019: £528k). After related expenditure, the subsidiary returned a profit of £212k (2019: profit £225k).

Bush House Building Services Limited is a wholly owned subsidiary of the Charity. The principal activities of the company are facilities management for Bush House on behalf of both Arnolfini Gallery Ltd and the University of the West of England. Turnover from service charge recoveries in the period was £155k (2019: £251k), with related expenditure of £155k (2019: £251k), resulting in a break-even position.

The CIO conversion has facilitated changes in the management arrangements for Bush House resulting in the dissolution of BHBS from the end of July 2020.

Financial Aims

The future financial aims of the Arnolfini are centred on stability, sustainability and continuing risk management and financial control. As the organisation adapts to a changed funding environment, a revised financial model is being developed by the new Director supported by an experienced business and financial team and as part of an Arts Council England supported Options Appraisal process.

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT (continued)

PERIOD ENDED 31 JULY 2020

Reserves policy

The free reserves of the charity (the unrestricted funds of the charity less any funds designated, committed or represented by tangible fixed assets used by the charity) are intended to be maintained between three and six months of expenditure. As at the period end, this free reserve target equates to between £230,387 and £460,773. At the year-end, free reserves stood at £603,416 (General funds of £718,542 less tangible fixed assets within general funds of £115,122 and investments of £4) equating to around eight months' income.

The current free reserves are currently above the target level but the Trustees are satisfied that this is appropriate given post year end spending plans and the heightened risk presented by the COVID-19 pandemic.

Going Concern

In August 2019 Arnolfini received confirmation that Arts Council England had renewed the funding of £2.1m over a period of 3 years. This coupled with the strong commercial performance and positive relationship with UWE, Bristol (including the Facilities Management support) means the Trustees consider it appropriate to adopt the Going Concern basis.

Fundraising

As a charity, Arnolfini must ensure that its charitable objectives are observed in receiving voluntary income and in earning income. We are committed to transparency, and as such, we have outlined the following policy for income generation. Arnolfini's guiding income generation principle is a simple one – we will only use techniques that do not pose a risk to the reputation or charitable objectives of the charity. In doing so, the organisation will adhere to the following standards:

- Income generation activities (earned or voluntary) carried out by Arnolfini will comply with all relevant laws.
- Any communications to the public made in the course of carrying out income generation activities shall be truthful and non-deceptive.
- All monies raised via fundraising activities or earned through our commercial activities will be for the stated purpose of the appeal (if applicable) and will comply with the organisation's stated mission and purpose.
- Earned income through commercial activities will be reinvested in the charitable work of the Arnolfini.
- All personal information collected by Arnolfini is confidential and is not for sale or to be given away or disclosed to any third party without consent.

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT *(continued)*

PERIOD ENDED 31 JULY 2020

- Arnolfini will gather and store data in line with the changes in law for GDPR effective May 25th 2018.
- Nobody directly or indirectly employed by or volunteering for Arnolfini shall accept commissions, bonuses, or payments for fundraising activities on behalf of the organisation.
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of Arnolfini.
- Financial contributions will only be accepted from companies, organisations, and individuals the Board considers ethical.
- Arnolfini will not accept voluntary or earned income from any persons or organisations who are:
 - Engaged with criminal activity
 - Are affiliated with political or social activities which marginalise or otherwise harm projected groups
 - Would lead to a decline in support for the Arnolfini, and so risk a fall in the resources available to fund our work

When deciding whether to accept any particular donation, the Director and the Trustees have a duty to demonstrate to the Charity Commission that they have acted in the best interest of the charity, and that association with any particular donor does not compromise the Arnolfini's ethical position, harm our reputation or put future funding at risk. The Arnolfini complies with all relevant legislation including money laundering rules, the Bribery Act and Charity Commission guidance, including terrorism and political activity.

During the period 2019-20, Arnolfini Gallery Ltd did not receive any complaints about fundraising activities.

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT *(continued)*

PERIOD ENDED 31 JULY 2020

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also the directors of Arnolfini Gallery Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under that law the trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the income and expenditure of the charity for that period.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO THE AUDITOR

To the knowledge and belief of each of the persons who are trustees at the time the report is approved:

- so far as each trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

ARNOLFINI GALLERY LIMITED

TRUSTEES' ANNUAL REPORT *(continued)*

PERIOD ENDED 31 JULY 2020

AUDITOR

Burton Sweet, Chartered Accountants and Statutory Auditors, were appointed in 2013 and will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

Registered office:
16 Narrow Quay
Bristol
BS1 4QA

Signed by order of the trustees

L DALY
(Chair of Trustees)

ARNOLFINI GALLERY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

PERIOD ENDED 31 JULY 2020

Independent auditor's report to the members of Arnolfini Gallery Limited

Opinion

We have audited the financial statements of Arnolfini Gallery Limited (the "Charity") for the period ended 31 July 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state in them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 July 2020 and of its income and expenditure for the Period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with international Standards in Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date

ARNOLFINI GALLERY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (CONTINUED)

PERIOD ENDED 31 JULY 2020

- when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If based, on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable law requirements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view,

ARNOLFINI GALLERY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (CONTINUED)

PERIOD ENDED 31 JULY 2020

and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm. This description forms part of our auditor's report.

Neil Kingston FCA (Senior Statutory Auditor)

For and on behalf of Burton Sweet Chartered Accountants and Statutory Auditor
Cooper House
Lower Charlton Estate
Shepton Mallet
Somerset
BA4 5QE

Date:

ARNOLFINI GALLERY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

PERIOD ENDED 31 JULY 2020

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 16 months to 31 July 2020 £	Total Funds 12 months to 31 March 2019 £
Income from:						Restated
Sponsorships, donations and grants	2	1,255,770	52,150	-	1,307,920	614,218
Charitable activities	3	23,988	-	-	23,988	7,745
Investments	4	105,674	-	-	105,674	66,186
Total income		1,385,432	52,150	-	1,437,582	688,149
Expenditure on:						
Raising funds: Investment management		-	-	21,151	21,151	-
Charitable activities	5	1,105,290	102,287	-	1,207,577	858,519
Total expenditure		1,105,290	102,287	21,151	1,228,728	858,519
Net gains on investments		-	-	186,670	186,670	90,543
Net income/(expenditure)	8	280,142	(50,137)	165,519	395,524	(79,827)
Fund Transfers	13	73,768	558	(74,326)	-	-
Net movement in funds		353,910	(49,579)	91,193	395,524	(79,827)
Total funds at 1 April 2019 (as previously reported)		3,813,662	67,130	2,312,335	6,193,127	6,195,942
Prior year adjustment	27	(224,595)	-	-	(224,595)	(147,583)
Total funds at 1 April 2019 (restated)	21	3,589,067	67,130	2,312,335	5,968,532	6,048,359
Total funds at end of period ended 31 July 2020	21	3,942,977	17,551	2,403,528	6,364,056	5,968,532

The Charity has no recognised gains or losses other than the results for the period as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 22 to 33 form part of these financial statements
See note 12 for fund-accounting comparative figures

ARNOLFINI GALLERY LIMITED

BALANCE SHEET

AS AT 31 JULY 2020

Company number: 00877987

	Note	31 July 2020 £	31 March 2019 £ Restated
Fixed assets			
Tangible assets	14	3,551,652	3,561,437
Investments	15	2,403,532	2,312,339
		<hr/> 5,955,184	<hr/> 5,873,776
Current assets			
Debtors	16	29,846	214,743
Cash at bank and in hand		656,493	373,704
		<hr/> 686,339	<hr/> 588,447
Liabilities			
Creditors : amounts falling due within one year	17	(277,467)	(493,691)
Net current assets		<hr/> 408,872	<hr/> 94,756
Total assets less current liabilities		<hr/> 6,364,056	<hr/> 5,968,532
Net assets		<hr/> <hr/> 6,364,056	<hr/> <hr/> 5,968,532
FUNDS			
Unrestricted funds			
Share Capital	21	2	2
General funds	21	506,445	109,303
Designated funds	21	3,436,530	3,479,762
Restricted funds	21	17,551	67,130
Endowment funds	21	2,403,528	2,312,335
Total funds		<hr/> <hr/> 6,364,056	<hr/> <hr/> 5,968,532

These financial statements were approved by the Trustees on and are signed on their behalf by:

L Daly
Chair of Trustees

The notes on pages 22 to 33 form part of these financial statements

ARNOLFINI GALLERY LIMITED

CASH FLOW STATEMENT

PERIOD ENDED 31 JULY 2020

	Note	for 16 months to 31 July 2020	for 12 months to 31 March 2019
		£	£
Net cash inflow from operating activities	19	151,843	(44,120)
Non-operational cash flows:			
Investing activities			
Payments for tangible fixed assets		(49,096)	(12,251)
Proceeds from sales of tangible fixed assets		43	650
Interest received		2,474	1,867
Investment income		103,200	64,319
Acquisition of other investments		(78,832)	(71,253)
Disposal of other investments		153,157	171,253
		130,946	154,585
Net cash inflow/(outflow) for the period	20	<u>282,789</u>	<u>110,465</u>

Cashflow Restrictions

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cash flows for the period.

The notes on pages 22 to 33 form part of these financial statements

ARNOLFINI GALLERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 JULY 2020

1 Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Charities Act 2011, the Financial Reporting Standard 102 (FRS102) and the requirements of the Charities Statement of Recommended Practice based thereon.

The charity is a public benefit entity as defined under FRS102.

The Trustees consider that there are no material uncertainties affecting the ability of the charity to continue as a going concern. COVID-19 has had a significant effect on Arnolfini's commercial and trading business but a swiftly implemented set of business actions has mitigated these successfully. The utilisation of the government furlough scheme, strict control of costs (staff and operational) and other business adaptations have maintained the viability of the organisation during this period without the need to use reserves.

Income

All income is included in the Statement of Financial Activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured.

The following specific policies are applied to particular categories of income:

Donations and gifts

All monetary donations and gifts are included in full in the Statement of Financial Activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Grants receivable

Revenue grants are credited as income when they are receivable provided conditions for receipt have been complied with, unless they relate to a specific future period, in which case they are deferred.

Grants for the purchase of fixed assets are credited to restricted income when receivable. Once the terms of the restriction are satisfied on the purchase of the asset, a transfer is made from restricted funds to unrestricted funds.

Expenditure

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that result in the payment being unavoidable.

Cost of raising funds

These are costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Costs of charitable activities

These are costs relating to the staging of art exhibitions, live programmes, film screenings and learning and participation programmes and include both the direct costs and support costs relating to these activities.

Governance costs

Governance costs are those which are primarily associated with constitutional and statutory requirements. These are shown within support costs.

Pension costs

The Charity makes available a stakeholder pension scheme. Company contributions to the scheme are charged as an expense and included within the Statement of Financial Activities.

Tangible fixed assets

Fixed assets are stated at cost, net of depreciation and any provision for impairment. Assets costing less than £500 are not capitalised. Depreciation is calculated so as to write off the cost of an asset, less its estimated ultimate residual value, over the useful life of that asset as follows:

- Leasehold Property Improvements - over 20 years
- Fixtures & Fittings - over 5-10 years
- Leasehold Property - over 99 years
- Office Equipment - over 5 years

ARNOLFINI GALLERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 JULY 2020

1 Accounting policies (*continued*)

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Investments

Investments are included at market value at 31 July. The SOFA includes the net gains and losses arising on revaluations and disposals during the year.

Fund accounting

Unrestricted funds, including designated funds, are donations and the other income received or generated for expenditure on the general objectives of the charity.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The Endowment fund is an asset of ACBMT and is held according to the Trust's objects.

Further explanation of the nature and purpose of each fund is included in note of the financial statements.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to unrestricted funds within the Statement of Financial Activities on a straight line basis over the period of the lease.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

2 Income from: Sponsorships, donations and grants

Period ended 31 July 2020	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Donations				
Donations	10,178	-	-	10,178
Trusts and Foundations	-	52,150	-	52,150
Gift aid from Arnolfini Trading Ltd	224,595	-	-	224,595
	<u>234,773</u>	<u>52,150</u>	<u>-</u>	<u>286,923</u>
Government grants receivable				
Arts Council	953,613	-	-	953,613
Job Retention Scheme	67,384	-	-	67,384
	<u>1,020,997</u>	<u>-</u>	<u>-</u>	<u>1,020,997</u>
	<u>1,255,770</u>	<u>52,150</u>	<u>-</u>	<u>1,307,920</u>

Government grants - Job Retention scheme/Furlough grant was issued by HMRC to help companies cover payroll costs during the COVID-19 lockdown

There were three grants received from Arts Council England (ACE) in the period. £300,000 in relation to 'Relaunch', £750,000 in relation to Visual Arts Bristol (less deferred value, see note 18) and £20,280 in relation to legal fees contributions.

ARNOLFINI GALLERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 JULY 2020

2 Income from: Sponsorships, donations and grants (continued)

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
Year ended 31 March 2019				
Donations	Restated			Restated
Donations	1,376	-	-	1,376
Trusts and Foundations	-	61,250	-	61,250
Gift aid from Arnolfini Trading Ltd	147,583	-	-	147,583
	148,959	61,250	-	210,209
Grants receivable				
Imperial War Museum	-	38,659	-	38,659
	-	38,659	-	38,659
Government grants receivable				
Arts Council	360,000	-	-	360,000
	360,000	-	-	360,000
Corporate sponsorships				
	3,850	1,500	-	5,350
	512,809	101,409	-	614,218

3 Income from: Charitable activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Period ended 31 July 2020				
Exhibitions	8,740	-	-	8,740
Learning and participation	3,791	-	-	3,791
Other income	11,457	-	-	11,457
	23,988	-	-	23,988
Year ended 31 March 2019				
Exhibitions	1,624	-	-	1,624
Learning and participation	1,837	1,805	-	3,642
Membership	799	-	-	799
Other income	1,680	-	-	1,680
	5,940	1,805	-	7,745

4 Income from: Investments

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Period ended 31 July 2020				
Income from UK listed investments	103,200	-	-	103,200
Bank interest received	2,474	-	-	2,474
	105,674	-	-	105,674
Year ended 31 March 2019				
Income from UK listed investments	64,319	-	-	64,319
Bank interest received	1,867	-	-	1,867
	66,186	-	-	66,186

ARNOLFINI GALLERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 JULY 2020

5 Costs of charitable activities by fund type

Period ended 31 July 2020	Unrestricted	Restricted	Total Funds
	Funds	Funds	2020
	£	£	£
Provision of services	948,512	102,287	1,050,799
Management and administration	58,881	-	58,881
Support costs	38,740	-	38,740
Governance	59,157	-	59,157
	1,105,290	102,287	1,207,577

Year ended 31 March 2019	Unrestricted	Restricted	Total Funds
	Funds	Funds	2019
	£	£	£
Provision of services	517,813	215,105	732,918
Management and administration	44,995	-	44,995
Support costs	31,087	-	31,087
Governance	49,519	-	49,519
	643,414	215,105	858,519

6 Expenditure by activity type

Period ended 31 July 2020	Staff	Other	Depreciation	Total Funds
	Costs	Costs	£	2020
	£	£	£	£
Provision of services	491,822	597,717	-	1,089,539
Depreciation	-	-	58,881	58,881
Governance	-	59,157	-	59,157
	491,822	656,874	58,881	1,207,577

Year ended 31 March 2019	Staff	Other	Depreciation	Total Funds
	Costs	Costs	£	2019
	£	£	£	£
Provision of services	313,033	450,972	-	764,005
Depreciation	-	-	44,995	44,995
Governance	-	49,519	-	49,519
	313,033	500,491	44,995	858,519

7 Support and governance costs

Period ended 31 July 2020	Unrestricted	Restricted	Total
	Funds	Funds	2020
	£	£	£
Support costs			
HR Administration	3,428	-	3,428
Licences, memberships and subscriptions	24,948	-	24,948
Office costs	8,394	-	8,394
Bank Charges	1,970	-	1,970
Governance costs			
Audit and accountancy fees	14,274	-	14,274
Legal and professional fees	44,883	-	44,883
	97,897	-	97,897

ARNOLFINI GALLERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 JULY 2020

7 Support and governance costs (*continued*)

Year ended 31 March 2019	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Support costs			
HR Administration	3,076	-	3,076
Licences, memberships and subscriptions	13,572	-	13,572
Office costs	7,216	-	7,216
Bank Charges	1,181	-	1,181
Interest payable	6,042	-	6,042
Governance costs			
Audit and accountancy fees	11,998	-	11,998
Legal and professional fees	37,521	-	37,521
	80,606	-	80,606

8 Net income/(expenditure) for the period

This is stated after charging:

	2020 £	2019 £
Staff pension contributions	11,854	5,934
Auditor's remuneration	10,500	8,600
- for audit services	3,774	3,398
- for other services	58,881	44,995
Depreciation		

No Trustees have been reimbursed for their out of pocket travel expenses during the period (2019: 2 totalling £244). No Trustee received any remuneration during this or the previous accounting period.

9 Staff costs and numbers

The aggregate payroll costs were:

	2020 £	2019 £
Wages & salaries	457,777	288,883
Social security costs	22,191	18,216
Pension contributions	11,854	5,934
	491,822	313,033

One employee received emoluments of more than £60,000 (2019: One).

The average weekly number of employees during the period was 38 (2019: 34), calculated on the basis of average headcount. The total employment benefits received by key management personnel including employer national insurance and employer pension were £198,164 (2019: £135,239).

10 Taxation

The charity is exempt from corporation tax on its charitable activities.

11 Commitments under operating leases

The following future minimum lease payments under non-cancellable operating leases are as follows:

	Other operating leases	
	2020 £	2019 £
Not later than 1 year	1,709	4,234
Later than 1 year and not later than 5 years	2,564	1,308
	4,273	5,542

ARNOLFINI GALLERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 JULY 2020

12 Statement of Financial Activities comparative figures

For the year ended 31 March 2019	Unrestricted Funds	Restricted Funds	ACBMT Endowment Funds	Total Funds to 31 March 2019
	£	£	£	£
	Restated	Restated	Restated	Restated
Income from:				
Sponsorships, donations and grants	512,809	101,409	-	614,218
Charitable activities	5,940	1,805	-	7,745
Investments	66,186	-	-	66,186
Total income	584,935	103,214	-	688,149
Expenditure on:				
Charitable activities	692,695	165,824	-	858,519
Total expenditure	692,695	165,824	-	858,519
Net gains on investments	-	-	90,543	90,543
Net income/(expenditure) for the period	(107,760)	(62,610)	90,543	(79,827)
Fund transfers	93,902	6,098	(100,000)	-
Net movement in funds	(13,858)	(56,512)	(9,457)	(79,827)
Total funds at start of period	3,602,925	123,642	2,321,792	6,048,359
Total funds at end of period	3,589,067	67,130	2,312,335	5,968,532

13 Fund transfers

During the period transfers include: £558 from unrestricted funds to restricted funds to cover the overspend on one restricted fund. £43,232 was transferred from the designated fund to the unrestricted fund to the value of depreciation on the leasehold property. £70,000 was transferred from the endowment funds to unrestricted funds representing a grant from ACBMT to Arnolfini.

ARNOLFINI GALLERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 JULY 2020

14 Tangible fixed assets

	Leasehold Property Improvements £	Fixtures & Fittings £	Office Equipment £	Leasehold Property £	Total £
Cost					
At 1 April 2019	88,344	371,725	-	3,600,000	4,060,069
Additions	34,221	2,748	12,127	-	49,096
Disposals	-	(1,001)	-	-	(1,001)
At 31 July 2020	<u>122,565</u>	<u>373,472</u>	<u>12,127</u>	<u>3,600,000</u>	<u>4,108,164</u>
Depreciation					
At 1 April 2019	15,814	362,580	-	120,238	498,632
Charge for the period	7,011	7,526	1,112	43,232	58,881
Disposals	-	(1,001)	-	-	(1,001)
At 31 July 2020	<u>22,825</u>	<u>369,105</u>	<u>1,112</u>	<u>163,470</u>	<u>556,512</u>
Net book value					
At 31 July 2020	<u>99,740</u>	<u>4,367</u>	<u>11,015</u>	<u>3,436,530</u>	<u>3,551,652</u>
At 31 March 2019	<u>72,530</u>	<u>9,145</u>	<u>-</u>	<u>3,479,762</u>	<u>3,561,437</u>

15 Investments

	2020 £	2019 £
Movement in Market Value		
Market value as 1 April 2019	2,312,338	2,321,796
Acquisitions at cost	78,832	71,253
Disposals at opening book value	(153,157)	(171,253)
Investment management costs	(21,151)	-
Net gains on revaluations	186,670	90,543
Market value at 31 July 2020	<u>2,403,532</u>	<u>2,312,339</u>
Historical cost at 31 July 2020	<u>2,079,381</u>	<u>2,035,718</u>

Analysis of investments at 31 July 2020 between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Listed investments				
UK Quoted Shares	-	-	2,403,528	2,403,528
Other investments				
UK Group undertakings	<u>4</u>	<u>-</u>	<u>-</u>	<u>4</u>
	<u>4</u>	<u>-</u>	<u>2,403,528</u>	<u>2,403,532</u>

The listed investments are held by a separate, linked, charity Ashley Clinton and Barker-Mill Trust (ACBMT). At the balance sheet date, this entity has five independent Trustees to enable decisions to be made independently of the Trustees of Arnolfini Gallery Limited.

Analysis of investments at 31 March 2019 between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
Listed investments				
UK Quoted Shares	-	-	2,312,335	2,312,335
Other investments				
UK Group undertakings	<u>4</u>	<u>-</u>	<u>-</u>	<u>4</u>
	<u>4</u>	<u>-</u>	<u>2,312,335</u>	<u>2,312,339</u>

ARNOLFINI GALLERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 JULY 2020

15 Investments (continued)

Details of the other investments which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Company number	Registered office	Holding	2020 %	2019 %
Arnolfini Trading Limited	02142916	England	Ordinary	100	100
Bush House Building Services Limited	09779405	England	Ordinary	100	100

16 Debtors

	2020 £	2019 £
Due in less than one year:		
Trade debtors	3,900	150
Amounts owed by group undertakings	-	187,433
Prepayments	25,946	27,160
	<u>29,846</u>	<u>214,743</u>

17 Creditors: amounts falling due within one year

	2020 £	2019 £	Restated
Trade creditors	33,187	41,465	
Amounts owed to group undertakings	81,493	331,554	
Taxation and social security	14,270	68,111	
Other creditors	1,932	26,369	
Accruals	29,918	26,192	
Deferred income (note 18)	116,667	-	
	<u>277,467</u>	<u>493,691</u>	

18 Deferred Income

	Deferred income at 1 April 2019 (Note 17)	Income received in the period	Income recognised in the period	Deferred income at 31 July 2020 (Note 17)
Arts Council England - Visual Arts in Bristol	-	750,000	(633,333)	116,667
Arts Council England - Relaunch Arnolfini	-	300,000	(300,000)	-
Arts Council England - New Entity legal costs	-	20,280	(20,280)	-
	<u>-</u>	<u>1,070,280</u>	<u>(953,613)</u>	<u>116,667</u>

note 2

19 Reconciliation of net movement in funds to net cash inflow from operating activities

	16m to 31 July 2020 £	12m to 31 March 2019 £
Statement of Financial Activities: Net movement in funds	395,524	(79,827)
Income from investments	(103,200)	(64,319)
Investment management costs	21,151	-
Interest receivable	(2,474)	(1,867)
Depreciation	58,881	44,995
Loss / (profit) on sale of fixed assets	(42)	11,600
Net gains on investments	(186,670)	(90,543)
(Decrease) / Increase in creditors: current liabilities	(216,224)	94,900
Decrease / (increase) in debtors	184,897	40,941
Net cash inflow/(outflow) from operating activities	<u>151,843</u>	<u>(44,120)</u>

ARNOLFINI GALLERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 JULY 2020

20 Analysis of changes in cash during the period

	31 July 2020 £	31 March 2019 £	Change £
Cash at bank and in hand	656,493	373,704	282,789
	31 March 2019 £	31 March 2018 £	Change £
Cash at bank and in hand	373,704	263,239	110,465

21 Movement in funds

For the period ended 31 July 2020

	At 1 Apr					At 31 Jul
	2019 £	Income £	Expenditure £	Gains and Losses	Transfers £	2020 £
Restated						
Endowment funds						
Ashley Clinton and Barker-Mill Trust	2,312,335	-	(21,151)	186,670	(74,326)	2,403,528
	2,312,335	-	(21,151)	186,670	(74,326)	2,403,528
Restricted funds						
Heritage Lottery Funding	8,086	28,650	(24,034)	-	-	12,702
Paul Hamlyn Foundation	55,347	-	(50,498)	-	-	4,849
Future Quest 18-19	3,405	11,000	(14,405)	-	-	-
Bristol Culture Standard	292	-	(850)	-	558	-
Future Quest 19-20	-	12,500	(12,500)	-	-	-
	67,130	52,150	(102,287)	-	558	17,551
Unrestricted funds						
Building Lease Designated Fund	3,479,762	-	-	-	(43,232)	3,436,530
Share Capital	2	-	-	-	-	2
General funds	109,303	1,385,432	(1,105,290)	-	117,000	506,445
	3,589,067	1,385,432	(1,105,290)	-	73,768	3,942,977
Total funds	5,968,532	1,437,582	(1,228,728)	186,670	-	6,364,056

ARNOLFINI GALLERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 JULY 2020

21 Movement in funds (*continued*)

Endowment funds

The endowment resulted as gifts of assets from Mr Peter Barker-Mill (deceased) with the purpose of generating income for the general purpose of the gallery.

In October 2016 the Charity Commission approved a scheme to merge the two previous funds (Ashley Clinton and Barker-Mill Trust). The Endowment is held by a separate Trust. The board of five Trustees of the Trust includes two independent Trustees.

In the 2016/17 year a loan of £568,790 due from Arnolfini Gallery Ltd to ACBMT was forgiven and is therefore no longer a liability in the Arnolfini Gallery Ltd accounts. However, an agreement has been established whereby this sum will become repayable by Arnolfini Gallery Ltd should it cease to exist or continue to perform its present charitable objectives with net assets.

This constitutes a contingent liability between Arnolfini Gallery Ltd and ACBMT and as such is not included in the balance sheets of the two entities.

The trustees of the ACBMT are:

Geoffrey Clements, James Myatt, Thomas Sheppard, Derrick Price and Fiona Hallworth.

Restricted funds

Heritage Lottery Funding - £28,650 awarded for the Enjoy Yourself project for Arnolfini's archive.

Paul Hamlyn Foundation - £60,000 awarded for the City Fellows programme.

Future Quest - balance of funding awarded for the Now or Never - Youth-led Creative Studio project.

Bristol Culture Standard - £1,750 a joint led programme commissioned by DIY network to create a set of employment standards within the City.

Historic England - £41,667 awarded for the In Place of Monuments project.

DASH - £236 Dash Curatorial Commissions Programme as a joint partnership for residency of a disabled curatorial programme.

Imperial War Museum - £33,000 awarded for the Selina Thompson project as part of 14-18NOW.

Jerwood - Artist Innovation - £9,000 Artist Innovation project.

Designated funds

The designated Building Lease

Each accounting period the Trustees transfer an amount equal to the depreciation on the freehold improvements and equipment funded by the building development fund from the designated fund to general funds.

ARNOLFINI GALLERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 JULY 2020

21 Movement in funds (*continued*)

For the year ended 31 March 2019

	At 1 Apr				At 31 Mar	
	2018 £ Restated	Income £ Restated	Expenditure £	Gains and Losses	Transfers £	2019 £ Restated
Endowment funds						
Ashley Clinton and Barker-Mill Trust	2,321,792	-	-	90,543	(100,000)	2,312,335
	2,321,792	-	-	90,543	(100,000)	2,312,335
Restricted funds						
Heritage Lottery Funding	17,218	55	(9,187)	-	-	8,086
Paul Hamlyn Foundation	56,975	-	(1,628)	-	-	55,347
Future Quest 18-19	15,276	21,083	(37,954)	-	5,000	3,405
Bristol Culture Standard	-	1,750	(1,458)	-	-	292
Historic England	-	41,667	(42,029)	-	362	-
DASH	-	-	(236)	-	236	-
Imperial War Museum	26,210	38,659	(64,869)	-	-	-
Jerwood - Artist Innovation	7,963	-	(8,463)	-	500	-
	123,642	103,214	(165,824)	-	6,098	67,130
Unrestricted funds						
Building Lease Designated Fund	3,512,186	-	-	-	(32,424)	3,479,762
Share Capital	2	-	-	-	-	2
General funds	90,737	584,935	(692,695)	-	126,326	109,303
	3,602,925	584,935	(692,695)	-	93,902	3,589,067
Total funds	6,048,359	688,149	(858,519)	90,543	-	5,968,532

22 Analysis of net assets between funds

	Restricted Funds £	Unrestricted Designated Funds £		Endowment Funds £	Unrestricted General Funds £		Total £
		Unrestricted Designated Funds £	Endowment Funds £		Unrestricted General Funds £	Unrestricted General Funds £	
As at 31 July 2020							
Tangible fixed assets	-	3,436,530	-	-	115,122	115,122	3,551,652
Investments	-	-	2,403,528	-	4	4	2,403,532
Other net assets	17,551	-	-	-	391,321	391,321	408,872
	17,551	3,436,530	2,403,528	-	506,447	506,447	6,364,056
As at 31 March 2019							
	Restricted Funds £	Unrestricted Designated Funds £	Endowment Funds £		Unrestricted General Funds £	Total £	
					Restated £	Restated £	
Tangible fixed assets	-	3,479,762	-	-	81,675	81,675	3,561,437
Investments	-	-	2,312,335	-	4	4	2,312,339
Other net assets	67,130	-	-	-	27,626	27,626	94,756
	67,130	3,479,762	2,312,335	-	109,305	109,305	5,968,532

ARNOLFINI GALLERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 31 JULY 2020

23 Share Capital

Authorised share capital:	2020	2019
	£	£
10,000 Ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid:		
Ordinary shares of £1 each	2	2

24 Controlling interest and related party transactions

The Charity's controlling related parties are the trustees by virtue of their office. The two ordinary shares are held by the the University of the West of England (UWE). Previously the Chair and one other member of the board of trustees held the share capital as nominees on behalf of the charity. The share capital was transferred to UWE in December 2019.

The relationship with UWE, Bristol has continued to develop throughout the period in three ways:

Governance - UWE has become the sole member of the Arnolfini charity as part of its planned conversion to a CIO.

Estate Management - UWE took over the management of Bush house, Arnolfini's building, on 1st August 2019 as part of an initial three year agreement to cover the building overheads and management.

Cultural Programming - Arnolfini's programme activity increasingly works with the academic and student community of the University to build a strong and interrelated backbone to our cultural output.

No further transactions were undertaken with trustees or other related parties other than those disclosed as required by the SORP elsewhere in the financial statements.

25 Capital commitments

The Charity had no capital commitments at 31 July 2020 (31 March 2019: £nil)

26 Pension commitments

The pension charge represents company contributions payable to a stakeholder pension scheme and amounted to £11,854 (31 March 2019: £5,934). Included in the total are contributions of £2,037 which are due to the scheme at 31 July 2020 (31 March 2019: £1,369).

27 Prior Year Adjustment

The charity has a trading subsidiary called Arnolfini Trading Limited which, where possible, pays all its taxable profits for the reporting period to the charity under the gift aid scheme. These gift aid payments are recognised as distributions to owners in equity within retained earnings.

Arnolfini Trading Limited does not have any legal obligation in place at the reporting date to make the final gift aid payment in respect of the reporting period to the charity. Therefore, gift aid payments are only recognised as receivable by the charity in the reporting period that the payment is made. The final gift aid payment is planned to be made within 9 months of the end of the reporting date.

The charity previously recognised gift aid payments from Arnolfini Trading Limited in the Statement of Financial Activities in the period that the profits arose. The charity has changed its accounting policy as a result of The Financial Reporting Council clarifying the accounting treatment for such payments in its triennial review of FRS 102. Therefore the prior year comparative figures have been restated to reflect this change.

There is a prior year adjustment of £212,095 reflecting the change in accounting for the gift aid donation for the year ended 31 March 2019. This decreases the opening unrestricted general funds for the period ended 31 July 2020 by this amount and decreases Income from donations in the prior year ended 31 March 2019 by £77,012.