

ROYAL WEST OF ENGLAND ACADEMY

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2019

Company Registration Number: 03567088
Charity Number: 1070163

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CONTENTS

	Page
Reference and administrative details	3
Report of the Trustees	4
Report of the Independent Auditor	14
Statement of Financial Activities	16
Balance Sheet	17
Statement of Cash Flows	18
Notes forming part of the Financial Statements	19
Staff, Academicians' Council and Supporters	29

ROYAL WEST OF ENGLAND ACADEMY
REFERENCE AND ADMINISTRATIVE DETAILS

YEAR ENDED 30 JUNE 2019

Registered office and principal address

Queen's Road
Clifton
Bristol
BS8 1PX

Company registration number – 03567088

Registered charity number – 1070163

Board

The following individuals served as directors and trustees within the year and up to the signing date:

Yvonne Ashton ACA, Honorary Treasurer
Russ Carr (resigned 6 December 2018)
Jerry Cowhig MBE, Chair
Maria Crayton
Yvonne Crossley RWA
Stewart Geddes PPRWA (resigned 3 October 2019)
Clive Hetherington (resigned 6 December 2018)
Stephen Jacobson RWA
Elena Marco
Vanessa Moon
Fiona Robinson PRWA (appointed 3 October 2019)
Suzanne Rolt
Junior Sheikh (appointed 7 February 2019)
Martin Wright (resigned 14 January 2019)

Director and Company Secretary

Alison Bevan BEM FMA

Auditor

Burton Sweet Chartered Accountants & Registered Auditor
5 Farleigh Court, Old Weston Road, Flax Bourton, Bristol BS48 1UR

Bankers

Barclays Bank
86 Queen's Road, Clifton, Bristol BS8 1RB

Investment advisors

Smith & Williamson
Portwall Place, Bristol BS1 6NA

ROYAL WEST OF ENGLAND ACADEMY

TRUSTEES ANNUAL REPORT

YEAR ENDED 30 JUNE 2019

The trustees are pleased to present their annual report, together with the financial statements of the Royal West of England Academy ('the RWA' or 'the charity') for the year ended 30 June 2019. This report and the financial statements have been prepared in accordance with the Companies Act 2006, the charitable Company's Memorandum and Articles of Association and the Statement of Recommended Practice "Accounting and Reporting by Charities". Reference and administrative details are set out on page 3 and form part of this report.

Structure, governance and management

The RWA is a company limited by guarantee and registered as a charity with the Charity Commission. It is governed by its Memorandum and Articles of Association and by its Bye-laws.

The governing body of the charity is the Board. The directors of the RWA for purposes of company law are also the charity's trustees and are generally referred to as 'the trustees'. The Board meets at least six times a year with the Director in attendance. It is involved in major strategic decisions and has ultimate responsibility for the conduct and financial stability of the RWA. There are also Board committees covering fundraising, nominations and property matters, respectively. The Board is led by the Chair of Trustees and financial matters are overseen by the Honorary Treasurer.

A chief executive, referred to as the Director although not a director under the Companies Act, manages the day-to-day operations of the charity. The Board appoints the Director, determines their contract of employment and reviews their pay and performance, and the Treasurer oversees the level of remuneration for the senior management team.

Day-to-day management is the responsibility of the Director, assisted by the senior management team comprising Head of Finance, Head of Development and Head of Programme. Remuneration of all the key management personnel is benchmarked against comparator organisations in the sector of a similar scale, and is reviewed annually based on both performance and market trends.

The trustees are appointed as prescribed by the Memorandum and Articles of Association and by the Bye-laws. New trustees are recruited through a process of advertisement and interview that is handled by the Nominations Committee of the Board. A Governance Review was undertaken during summer 2019; its recommendations will be enacted upon over the remainder of 2019/20, including the strategic appointment of new Trustees to meet identified needs. New Trustees currently receive a welcome pack and informal induction, and we aim to introduce a formal programme of induction and training for new Trustees from autumn 2019, and will also revise sub-committee structures, succession planning and formalisation of roles and responsibilities, in response to the Governance Review recommendations.

The Council of Artists, comprising unpaid representatives of RWA Academicians, provides advice to the Board on artistic matters. It is Chaired by the Academicians' President, who also serves on the Board. Academicians also serve on an Exhibitions Committee, guiding the content of the artistic programme.

Objectives and activities

The charity's Objects are: "to advance the education of the public in the fine arts and, in particular, to promote the appreciation and practice of the fine arts and to encourage and develop talent in the fine arts."

The charity's Objects determine its objectives, aims and activities, namely to use the RWA's exceptional gallery spaces to display for the public a wide range of art by artists including Academicians and non-Academicians; works from the RWA's permanent collection, and works on loan from public and private collections, supported by information and related educational events, such as lectures, exhibition tours and workshops.

The RWA collaborates with arts and educational institutions across the region and hosts a School of Art (currently operated by South Gloucestershire and Stroud College, 'SGS') within its building. It also operates the RWA Drawing School, offering informal learning opportunities for amateur and professional artists.

The key objective has been, and remains, for the RWA to be a sustainable centre for excellence in the visual arts for the South West region.

Strategy for achieving objectives

The strategies employed to achieve the charity's aims and objectives are to:

- Work with our Academicians and external curators to present a broad range of art exhibitions for the enjoyment and education of our local communities and the public of the South West
- Offer opportunities for people of varied ages, backgrounds and abilities to be involved in arts activities and to nurture and explore their own creative powers
- Provide facilities for amateur and professional artists to learn and share skills and to develop and exhibit their work
- Care for, develop and provide access to its fine art collection
- Involve young people in artistic activities and to encourage their enjoyment and understanding of the visual arts
- Support the provision of formal training in the fine arts and architecture through associations with relevant institutions
- Celebrate the diversity of cultures in our society by programming presentations by, and with, artists from different cultural backgrounds
- Generate income from ticket sales, retail and other commercial operations and from public and private funding sources to provide sustainable funding for its activities

The specific objectives for 2018/19 were to:

1. Undertake strategic measures to increase visitor numbers and community engagement by developing a comprehensive marketing strategy to promote our planned programme of stimulating, high quality exhibitions, events and outreach activities
2. Secure funding to undertake an agreed programme of capital development works for 2020/21, including various transformational changes to enhance the visitor experience and improve sustainability, in tandem with preventive maintenance works
3. Continue to widen diversity at the RWA by ensuring that BAME communities and other protected groups are represented in all sections of our organisation, including the Board, the staff team, volunteers, Academicians, Patrons and Friends of the RWA
4. Review and develop our fundraising strategy to ensure that our core activities – including our exhibitions, outreach and learning and participation programmes – are sustained through donations, grants, bequests, personal giving and sponsorship activities
5. Expand business development to increase income from retail, hires, commercial activities and corporate memberships, in order to re-build our free reserves

Public benefit

The trustees have complied with the Charities Act 2011 and confirm that they have paid due regard to the guidance issued by the Charity Commission on Public Benefit.

The role of volunteers

Volunteers are involved in all areas of the RWA's work, including invigilating the galleries, organising lectures, trips, fundraising activities, staffing events, undertaking audience surveys and marketing research and providing specialist advice. We receive thousands of hours of support from volunteers each year and the charity remains grateful for their essential contributions of time, expertise and energy.

The volunteers' network is supervised by a part-time Volunteer Co-ordinator, who instigates recruitment and ensure that induction and training are provided to all volunteers. Opportunities for volunteering are offered to all, regardless of age, sex, background or disability, and provide a vehicle for enriching employment experience for school pupils, graduates and job seekers, as well as life-long-learning and social engagement for older people.

We actively seek opportunities to broaden the diversity of our volunteer team and to provide our volunteers with meaningful experience and training that will strengthen their employment prospects and in 2018-19 four volunteers were helped into paid employment. Over the past year, volunteers and placements have been involved in all aspects of our exhibitions and outreach activities, and have also been engaged in supporting and learning from our capital development projects.

Review of charitable activities, achievements and performance 2018/19

The RWA is pleased to have achieved its stated objective of continuing to increase visitor numbers and community engagement by delivering a lively and extensive programme of exhibitions, learning activities and events, and undertaking strategic marketing activities to ensure that we engage a broad audience both within the building and beyond. In the year ended 30 June 2019:

- 47,160 people visited the RWA
- 4,466 people participated in educational sessions and events at the RWA
- Monthly family friendly creative activities took place in Easton and Redcliffe, two areas of multiple deprivation in Bristol, reaching around 55 families each month
- 60 emerging artists were supported through the Artist Network Scheme
- 1503 participants attended the RWA Drawing School, learning artistic skills through 100 courses and workshops
- 80+ volunteers contributed to the RWA's programme, with several progressing to the paid staff team or other employment
- 818 artists exhibited in main gallery exhibitions, including our Annual Open exhibition now in its 166th year, ranging from novice exhibitors to internationally acclaimed names, reflecting our ongoing commitment to creating opportunities for new and emerging talent
- 13,900 people followed us on Twitter and 9,350 on Facebook
- 126,960 people visited the RWA website

Exhibitions programme 2018/19

The year saw us presenting a wide range of exhibitions aimed at engaging diverse audiences, including both core gallery-goers and non-traditional arts attenders. The following exhibitions took place during the year:

16 June – 9 Sept 2018	In Relation: Nine Couples who transformed Modern British Art Togetherness: Contemporary Artists' Collaborations
10 July – 6 Aug 2018	Making Mathilda: Ros and Tomasin Cuthbert
14 July – 19 Aug 2018	The Heart of the Matter: work arising from projects with heart patients and their families led by artist Sofie Layton and bioengineer Giovanni Biglio
7 August – 3 Sept 2018	Robert Hurdle RWA (Hon): Centenary exhibition
4 Sept – 30 Sept 2018	A Voyage of Discovery: Dawn Sidoli RWA
7 Oct – 25 Nov 2018	166 Annual Open Exhibition
20 Oct – 18 Nov 2018	In Memoriam: Remembering RWA Academicians (RWA Collection)
20 Nov 2018 – 13 Jan 2019	Oliver Messel: Beyond Theatre from University of Bristol Theatre Collection
8 Dec 2018 – 3 Mar 2019	Albert Irvin and Abstract Expressionism
5 - 28 February 2019	Collaborative Painting: Luke Palmer and various artists
5 Mar – 31 Mar 2019	Threads (iii): Vera Boele-Keimer RWA
16 Mar – 2 June 2019	Open Sculpture Exhibition featuring invited artist Ana Maria Pacheco Disputing the Earth: Henri Gaudier-Brzeska
19 Mar – 7 April 2019	Reimagining the RWA: UWE Interior Architecture student designs
2 Apr – 25 Apr 2019	Body and Soul: Academicians exploring the body in their practice
13 Apr – 12 May 2019	Friends Open Exhibition
21 May - 23 June 2019	Shadow of a Dream: Paul Thirkell RWA
22 May – 23 June 2019	Emerging Landscapes: A New Normality RWA Collection works curated by University of Bristol Art History students
15 June – 1 September 2019	Fire: Flashes to Ashes in British Art 1692 - 2019
28 June – 4 July 2019	GENERATE: Bristol Old Vic Theatre School Theatre Design, Costume and Scenic Art Graduate exhibition

The exhibitions programme has attracted increasing national acclaim, and we now regularly receive large and effusive reviews in national media for our major exhibitions. Most notable of these was our exhibition 'Albert Irvin and Abstract Expressionism', which saw the RWA host some of the most high-profile works of art ever brought to the city, including Jackson Pollock, Willem de Kooning and Barnett Newman. Curated by RWA President Stewart Geddes to commemorate the 50th anniversary of the seminal 'New American Painting' exhibition at Tate, London, the show was opened by Sir Nicholas Serota, who described the RWA as one of the most beautiful galleries in the country and complimented us on our curation and programming.

Learning activities

Both formal and informal learning activities are an essential part of our charitable remit and are delivered both at the RWA and in communities across Bristol, offering transformative creative experiences for young and old alike. Throughout the year, the RWA's Learning and Participation Manager, supported by a team of skilled volunteers and selected freelance staff, has delivered an excellent programme of educational activities for schools, colleges and families.

Free Art Passes were offered to families of children from schools in selected areas who had taken part in educational activities, encouraging visits from people who otherwise might not visit. In the three months in which they were issued, these passes were taken up by 39 people.

In 2018/19, we have continued to deliver monthly family Scribble and Sketch activities in Easton and Redcliffe (areas of multiple deprivation in Bristol). Funding from Joan Hawkins Fund/Quartet Community Foundation has enabled us to continue these free-to-access activities.

Children from Dolphin School, an inner city school helped build Sculpture Lab, the 'world's first indoor sculpture park' as part of the spring Open Sculpture exhibition. Over 900 miniature sculptures were built by those who visited the innovative workshop.

"Thank you for a great, creative couple of days. I think the children's responses were bold and brave especially given that sculpture is sadly neglected in schools and this was probably their first experience of working in this way." quote from Sculpture Lab artist, working with Dolphin School.

Thanks to funding from the Dame Violet Wills Will Trust, we were able to repeat and expand the highly successful Look, Imagine, Write (LIW) workshops for schools, building skills in creative writing, verbal and visual literacy. Delivered in partnership with freelance educators Josephine Lanyon and Venetia Scott, a selection of the resulting pieces of writing were displayed alongside the artworks that inspired them in the Gaudier-Brzeska exhibition, where they were much admired by the public. The pieces were adjudicated, and a prize-giving ceremony was held in the gallery. Several of the prize winners were relatively recent additions to their schools, having arrived with limited English language skills – a testament to the effectiveness of the workshops.

Participating teachers reported that the project had been greatly beneficial, one saying:

"In a world where children are becoming more passive learners and technology is instant, it is vital that children have these opportunities to interact with art pieces and be able to look at them with a more critical eye. Thank you for continuing to provide them - we feel very privileged to be able to take part."

Throughout the year, various further activities continued, including supporting schools in delivering Arts Award qualifications for young people, and working with community groups including visually impaired people and those with mental health challenges to give tailored access to our exhibitions.

"I'm so impressed that RWA are doing this valuable work which is truly inclusive of the most vulnerable in our society" Strategic Development Manager – Bristol Community Links, Bristol City Council

The RWA Drawing School continues to be an outstanding conduit for adult learning, which includes formal art tuition starting at beginner level, more advanced classes in specialist techniques and 'drop in' life-drawing.

Usage of the permanent collection continues to be furthered through partnerships with external bodies, including a formalised arrangement with the Arts Faculty of the University of Bristol; an MA placement scheme with the University of the West of England, and tuition and apprenticeships for students at South Gloucestershire and Stroud (SGS) College, all of which provide curation experience and training.

Planned Maintenance and Capital Development

Building on various consultation and strategic planning meetings, and informed by an options appraisal undertaken with HLF Resilience Funding in 2017, the Board has identified, scoped, costed and fundraised for a project to address its strategic priorities for significant preventive maintenance works and essential improvements.

The project, entitled *Light and Inspiration*, grew out of the identified urgent maintenance priority of the roof lanterns above the main gallery spaces. The options appraisal recommended replacing, rather than merely restoring, these features in order to address excessive temperature fluctuations that put our business model at risk. The project will then make use of the required closure period for this work by undertaking further measures aimed at ensuring the financial sustainability of the RWA by addressing known barriers to business development.

Planned for 2021, the project will therefore make our outstanding Grade II* listed building more welcoming, attractive and accessible, aimed at increasing visitor numbers by a planned 40%. The forecourt area in front of the building will be transformed into a vibrant outdoor social space that can be used for artists' interventions and family creative activities, as well as an alfresco seating area for the café.

Light and Inspiration will:

- Save the RWA from catastrophic closure from collapsing roof lanterns
- Transform access and visitor welcome to engage new and wider audiences
- Preserve the exceptional quality of the galleries
- Improve the visitor experience from first glimpse
- Decrease maintenance and environmental costs
- Strengthen financial resilience through increased visitor numbers
- Extend inspirational community engagement

We will do this by:

- Installing new, thermally-controlled roof lanterns to mitigate extreme summer heat
- Renovating the forlorn forecourt to provide a vibrant outdoor social space
- Opening up the austere facade to signal a welcome for all
- Upgrading outdated fittings, including the dysfunctional 1913 lift, making the upstairs galleries accessible for people in wheelchairs without assistance for the first time
- Enhancing cafe, retail and greeting spaces
- Building on our longstanding core work, supporting wellbeing for disadvantaged individuals and communities across Bristol and beyond.

The total project will cost £3.3m. In June 2019, we were awarded Development Funding of £178,600 by The National Lottery Heritage Fund (NLHF) to help us to progress plans to apply for a full National Lottery grant of £1.37m in May 2020.

With only 1.5% of the gallery's funding coming from the public purse each year and limited unrestricted reserves, RWA's ability to attract an increased number of visitors and deliver sustainable income is essential for it to continue as an art gallery.

Alongside the capital works, innovative activities are being planned to engage and inspire people from some of Bristol's most deprived wards and to expand on the RWA's work with people struggling with mental health challenges and dementia.

£938,400 towards the total project cost has already been secured, including the first round grant of £178,600 by The National Lottery Heritage, together with funding awarded by the John James Bristol Foundation, Linbury Trust, Nisbet Trust, Foyle Foundation and Bristol Port. Fundraising support has been secured in order to ensure that we reach our remaining match-funding target of just under £1M prior to the second round submission to The National Lottery Heritage Fund in May 2020.

Meanwhile, in December 2018 a grant from the John James Bristol Foundation enabled the introduction of a new lighting system in the side galleries, greatly enhancing the visitor experience whilst reducing energy consumption.

Diversity

The RWA has had equality at its heart since its foundation and in recent years has made significant progress in engaging non-traditional audiences. However, we recognise that our organisation's stakeholders – staff, Academicians, Governance and volunteers – do not reflect the diverse cultures of our community and have therefore been actively encouraging a broader range of people to join us at all levels of our organisation, from volunteers to Board members.

As a result, we have succeeded in embedding greater diversity in every facet of our operation, including Board members, Academicians, staff, volunteers and Patrons, and we are making significant progress towards achieving our aim of ensuring that our organisation truly reflects the equality enshrined in its history and values.

Fundraising and income generation

Since its inception, the RWA has relied on fundraising and voluntary income and strictly abides by the highest ethical standards, as well as complying with all new legislation regarding the fundraising disclosures required by law. We do not use third parties or commercial participators in our fundraising, and are fully compliant with all relevant professional codes. No complaints over the conduct of our development campaigns or activities have been raised, and particular care is taken to protect those vulnerable people and communities who form a key part of our target audience.

The most significant single revenue fundraising event of the year is the Secret Postcard Auction. In 2019, the Auction was also online for the second time and raised over £53,000. Such events have a secondary benefit of profile-raising and reinforcing the 'case for support' message for the RWA as a charity.

The introduction of Shopify for both in-house Point of Sale and online e-commerce has greatly enhanced the opportunities for retail sales, including widening the potential market for art sales from the Annual Open Exhibition. It also allows for much more accurate management reporting, enabling more timely and relevant decisions to be made on what stock and other commercial activities, e.g. drawing school courses, are selling well and what may need to be changed.

Corporate income has been increased during the year through Art In Your Workplace agreements with Audley Redwood, Audley Malvern and DAC Beachcroft.

Our sole source of regular public subsidy remains Bristol City Council, who have continued funding under their Openness programme (£12,000 p.a.). During the year we have secured project grants from funders including Arts Council National Lottery Project Grants; The Art Fund; Art UK; Derek Hill Foundation; John James Bristol; Joan Hawkins Fund (via Quartet Foundation); Henry Moore Foundation; The Lark Trust; South West Museum Development; Portishead Nautical Trust; Quartet Community Trust/University of West of England Partnership Grants, and Dame Violet Wills Will Trust. We have also received support from organisations including Aqua; Smith & Williamson; Bishop Fleming; University of Gloucestershire; Fresh Art Fair; Nicholls Stevens; Audley Group, and DAC Beachcroft.

The Friends of the RWA (an independent charity, No. 1107149) continue to administer and run a Friends membership scheme on behalf of the RWA and support its activities with regular donations, as well as organising lectures and a cultural tours programme. In spring 2019 they also organised a very successful Friends Exhibition in the lower floor galleries, generating direct income from submissions and sales, as well as indirect through increased Friends memberships.

Our Patrons continue to play a key role in supporting the RWA's work, and we are delighted that we have continued to gain new members, whose generous support is invaluable, including ad hoc project donations as well as membership subscriptions. A full list of our Patrons and supporters is on page 30.

Financial Review

Total net income for the year amounted to £32,646 compared with net expenditure of £21,712 in 2018, and at 30 June 2019 the charity's net assets totalled £5,428,008, including investments of £732,670 and cash at bank of £162,702.

Income

Total income in 2019 was £845,435 (2018 - £777,355) an increase of 8.8% year on year, primarily due to significantly higher unrestricted income from charitable activities, which rose from £548,120 in 2018 to £604,882. This rise of 10% reflects the continued development of the organisation's commercial activities and is on top of the 17% growth achieved in 2018. It is particularly impressive as 2018 benefitted from commission income of £21,500 on the sale of artwork for the Academician PJ Crook, which was not repeated in 2019. In addition, the more successful 2019 exhibition program resulted in a fall in Museum & Gallery Exhibitions Tax Relief of £6,279 from £25,625 in 2018 to £19,346. However, other trading activities, being primarily rental income from hiring out gallery space, continued to improve and donations and grants also rose after adjusting for the reclassification of Gift Aid on exhibition admission fees of £14,837 (2018 - £18,209) from "Other donations and Gift Aid" to "Exhibitions and events".

Costs

Total costs in 2019 amounted to £828,159, a decrease of 1.8% on the 2018 total of £843,468. Expenditure on restricted funds fell by £12,596 to £90,793, but was £8,929 higher than restricted income.

In addition, unrestricted fund costs fell by £2,713 in 2019 to £737,366. This decrease is particularly significant, given that staff costs rose by £13,417 (3.3%), primarily reflecting the annual salary review. The RWA needs to employ specialist resource to drive forward both the provision of the organisation's important education and outreach work, and developing business-related activities at the RWA, hence staff retention is important. The organisation is very conscious of the need to exercise tight control over all its costs and during the year the frequency and level of detail of its management reporting was enhanced, thereby reducing certain costs and improving the profit margins for some charitable activities. Significant work continues on improving processes and information and reducing overheads, as the underlying expenditure trend continues to be upwards.

Investment gains in 2019 totalled £15,370 (2018 - £44,401).

Cash flow and cash balances

Operating and investing activities in 2019 resulted in a net cash inflow of £15,739 overall (2018 £19,702) and resulted in cash at bank of £162,702 at 30 June 2019 (2018 - £125,739), including unrestricted cash of £95,452 (2018 - £53,426). The increase in cash largely results from an increase in the level of creditors and accruals, reflecting the timing of payments associated with setting up the summer exhibition.

Restricted and endowment funds

Income and expenditure by individual fund are set out in note 17 to the financial statements. The major activity during the year related to exhibition funding. Certain property related costs and costs relating to the maintenance of the permanent collection totalling £21,672 (2018 - £40,679) were borne by The Mrs AA Talboys Bequest restricted fund.

Investments

2019 was a turbulent year for global markets, with increased US/China trading tensions and fears over the impact of Brexit on UK and European stocks. However, the RWA's investment portfolio continued to increase in value, rising by 1.3% in the year ended 30 June 2019 and generating an income yield of 2.5%.

The trustees' investment objective is to achieve a balanced return between income and growth over the long term, subject to a medium level of risk, with the portfolio being regularly reviewed at trustee meetings. The investment policy takes into account social, environmental and ethical considerations. Cash is also held in The Mrs AA Talboys restricted fund to ensure adequate liquidity should the trustees wish to use it for permitted purposes.

Reserves

The trustees have reviewed the level of free reserves that the charity should have, being those funds that are not restricted or represented by fixed assets. At 30 June 2019 unrestricted funds increased to £29,901, compared with £3,696 at 30 June 2018, but after taking into account funds held as fixed assets, free reserves were £9,296 (2018 – deficit of £28,731). This free reserves balance at 30 June 2019 includes an amount of £32,000 that is repayable to The Mrs AA Talboys Bequest in annual instalments of £2,000 over the next sixteen years.

The trustees consider that the 'going concern' basis remains appropriate for the preparation of the charity's financial statements. As mentioned above, the underlying performance of the charity continued to improve in most major areas of activity, which is reflected in the fact the organisation now has positive free reserves, rather than a free reserves deficit.

The trustees consider that an appropriate level of free reserves would be £250,000, in order to allow the charity to be managed efficiently and to cover any unforeseen repairs to the building and disruption to the programme of exhibitions and related activities. Whilst free reserves remain below this desired level the charity aims to maintain sufficient cash resources to meet its operational needs, at the same time taking appropriate initiatives to attract further funding and to secure an increased return from its charitable activities. An unsecured overdraft facility of £60,000 is also available to provide a further cushion.

Risk management

The trustees are responsible for ensuring that the RWA has effective risk management procedures in place that identify areas of potential risk and evaluate their likelihood of occurrence and potential impact. A risk register is maintained and significant risks are considered by the trustees on a regular basis to ensure that they are being managed appropriately.

The major risks facing the charity are financial sustainability, primarily as a result of a lack of free reserves, an increased funding requirement and insufficient income being generated from charitable activities; and substantial expenditure being needed to meet the cost of any major unforeseen repairs to the listed property. Actions and initiatives are being taken to address these risks as referred to above and in the following section on *Plans for 2019-20 and beyond*.

Creditor payment policy

It is the RWA's policy to pay creditors in accordance with the terms of payment agreed at the start of business with each supplier.

Plans for 2019–20 and beyond

Our overriding objective remains building on the developments of recent years to ensure our future sustainability, particularly by continuing to increase both our earned income and our discretionary financial support from all sources by building our reputation, service offer and audience.

Our aims for 2019 – 21 are to:

- Maintain a sustainable business model
- Continue raising the profile of the RWA regionally and nationally
- Provide an environment in which all communities are welcome and feel able to engage with our work

Our key objectives for 2019/20 are to:

1. Secure the remaining funding to undertake the *Light and Inspiration* project for 2020/21, so that we can address urgent preventive maintenance priorities and undertake various transformational changes to enhance the visitor experience and improve sustainability
2. Undertake strategic measures to increase visitor numbers and community engagement by developing a comprehensive marketing strategy to promote our planned programme of stimulating, high quality exhibitions, events and outreach activities
3. Continue to widen diversity at the RWA by ensuring that representation by BAME communities and other protected groups is embedded throughout our organisation, including the Board, the staff team, volunteers, Academicians, Patrons and Friends of the RWA
4. Review and develop our fundraising strategy to ensure that our core activities – including our exhibitions, outreach and learning and participation programmes – are sustained through donations, grants, bequests, personal giving and sponsorship activities
5. Expand business development to increase income from retail, hires, commercial activities and corporate memberships, in order to re-build our free reserves

We recognise that our success, and our ability to meet our charitable purpose, will depend on support from a wide range of sources, including past, current and potential future benefactors; trusts and foundations; volunteers; artists and art-lovers; commercial sponsors, and public funding bodies, as well as on the hard work and dedication of the staff team. We are confident that the measures we are taking to effect improvements, together with the underlying goodwill evident from so many individuals, will ensure our resilience through garnering increasing support to meet our objectives.

Statement of trustees' responsibilities

The trustees (who are also directors of Royal West of England Academy for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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 Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to make themselves aware of that information.

Auditor

Burton Sweet was re-appointed as the charity's auditor during the year and have expressed their willingness to continue in that capacity.

Acknowledgements

Thanks are due to the staff team at the RWA, including the volunteers, for their much appreciated loyalty, commitment and contribution that have been essential to the continued development and sustainability of the RWA. We are also grateful to the FRWA for their continued partnership, and to the Friends membership generally for their invaluable support. We are further indebted to our Patrons and our many other supporters and sponsors, as well as grant funders including Bristol City Council, Heritage Lottery Fund and Arts Council England.

Finally, we would like to thank the Academicians, many of whom contribute greatly to the Academy. We are particularly grateful to the Academicians' Council and immediate Past President Stewart Geddes for all their hard work and dedication.

Approved by the trustees on 23rd October 2019 and signed on their behalf by:

Jerry Cowhig
Chairman

Independent auditor's report to the members of Royal West of England Academy

Opinion

We have audited the financial statements of Royal West of England Academy (the "Charity") for the year ended 30 June 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 30 June 2019 and of its income and expenditure for the year 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 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, 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
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date:

ROYAL WEST OF ENGLAND ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES (Including Income & Expenditure Account)

YEAR ENDED 30 JUNE 2019

		Unrestricted funds	Restricted funds	Endowment funds	Total funds 2019	Total funds 2018
	Note	£	£	£	£	£
Income from:						
Donations and legacies	2	112,344	60,515	-	172,859	173,355
Charitable activities	3	604,882	-	-	604,882	548,120
Other trading activities	4	46,022	-	-	46,022	37,738
Investments	5	323	21,349	-	21,672	18,142
Total income		763,571	81,864	-	845,435	777,355
Expenditure on:						
Charitable activities	8	662,358	82,122	-	744,480	752,404
Raising funds	8	75,008	8,671	-	83,679	91,064
Total expenditure		737,366	90,793	-	828,159	843,468
Gains on investments	11	-	15,884	(514)	15,370	44,401
Net income (expenditure), being net movement in funds	6	26,205	6,955	(514)	32,646	(21,712)
Total funds at 1 July 2018	17	3,696	799,352	4,592,314	5,395,362	5,417,074
Total funds at 30 June 2019	17	29,901	806,307	4,591,800	5,428,008	5,395,362

Income /(expenditure) as defined by the Companies Act, and therefore excluding income from endowment funds, totalled £33,160 for the year (2018: (£22,062)).

All gains and losses arising in the year are included in the Statement of Financial Activities and derive from continuing activities

Prior year comparatives are included in note 19

The notes on pages 19 to 28 form part of these financial statements

BALANCE SHEET**AS AT 30 JUNE 2019**

		2019	2018
	Note	£	£
Fixed assets			
Tangible fixed assets	10	4,590,605	4,602,427
Investments	11	732,670	723,091
		5,323,275	5,325,518
Current assets			
Stock	13	13,049	15,157
Debtors	14	76,910	95,328
Cash at bank and in hand	16	162,702	125,739
		252,661	236,224
Creditors: amounts falling due within one year	15	(147,928)	(166,380)
Net current assets		104,733	69,844
Net assets		5,428,008	5,395,362
Funds			
Endowment funds	18	4,591,800	4,592,314
Restricted funds	18	806,307	799,352
Unrestricted funds	18	29,901	3,696
Total funds		5,428,008	5,395,362

These financial statements were approved by the trustees on 23rd October 2019
and are signed on their behalf by:

Jeremy Cowhig
Chairman

Yvonne Ashton
Honorary Treasurer

The notes on pages 19 to 28 form part of these financial statements

ROYAL WEST OF ENGLAND ACADEMY
STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2019

	Note	2019 £	2018 £
Net cash outflow from operating activities	16	12,734	(13,189)
Non-operating cash flows			
Investing activities:			
Proceeds from the sale of investments		99,752	137,286
Payments for investments		(115,185)	(120,001)
Investment income		21,672	18,142
Payments for tangible fixed assets		(3,234)	(2,536)
Net cash inflow from investing activities		3,005	32,891
Net cash inflow for the year	16	15,739	19,702

The notes on pages 19 to 28 form part of these financial statements

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2019

1 Accounting policies

a) Basis of preparation

The financial statements of the RWA are prepared under the historical cost convention, as modified by the valuation of certain investments, and in accordance with the Companies Act 2006, the Financial Reporting Standard FRS102, the Charities SORP FRS102 and the Charities Act 2011. A summary of the principal accounting policies is set out below.

The charity meets the definition of a public benefit entity under FRS102.

The trustees consider that the "going concern" basis remains appropriate for the preparation of the Charity's financial statements. Please see the going concern comments in the Financial Review, Reserves section of the trustees' report for more details of this justification.

b) Funds accounting

General unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects and administration of the charity.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used.

Endowment funds comprise individual trust funds set up by specific donors, the capital of which may not be expended.

The various funds in existence during the year are set out and described in note 17.

c) Income

Donations

Donations includes grants, Patrons and Friends subscriptions, recognised on a receivable basis. Gifts in kind are included as income when there is a clear benefit to the RWA and the value can be easily ascertained or estimated. Income from individual membership schemes that are eligible for gift aid is recognised in full on receipt.

Where donor imposed conditions require that the resource is expended on tangible fixed assets, the donation is credited to restricted funds and transferred to unrestricted funds when the conditions have been met.

Income from other trading activities

Such income is recognised on a receivable basis.

Income from charitable activities

Income from exhibitions and workshops is accounted for in the period in which the exhibition or workshop takes place. Subscriptions are accounted for on a receivable basis.

d) Expenditure

Expenditure on raising funds includes the costs of securing Patrons (including the cost of providing membership benefits), donations and grants.

Expenditure is directly attributable to specific activities. Where support costs relate to more than one activity they are apportioned on a basis consistent with the estimated use of the resource.

Governance costs represent the cost of the Company Secretarial role and costs associated with the preparation and audit of the statutory financial statements and are recognised within Charitable Activities.

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Costs relating to the curation, set-up and dismantlement of an exhibition, net of any related sponsorship, are deferred and written off on a straight line basis over the period of the exhibition.

Pension costs - the RWA contributes to the personal pension plans of eligible employees. The pension plans are defined contribution schemes and the pension charge represents the amount payable by the Charity to those plans in respect of the year.

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2019

1 Accounting policies (continued)

e) Heritage Assets - works of art

Works of Art consist of paintings and other examples of fine art acquired by donation, bequest or acquisition. The Works of Art are held for historical, educational and artistic reasons rather than as financial assets.

The Works of Art are accounted for as follows:

A significant proportion of the collection was donated or acquired many years ago. The trustees do not consider it appropriate to recognise these historic heritage assets on the balance sheet due to the lack of reliable information regarding their cost or value at the time of donation or bequest and the significant costs involved in the valuation of the collection.

Additions to the collection in recent years have most typically been in the form of works of art produced by newly elected Academicians of the Academy.

Expenditure required to preserve and maintain the collection or individual items within the collection is recognised in the Statement of Financial Activities in the period it is incurred.

f) Tangible fixed assets

Tangible fixed assets over £500 are capitalised and stated at cost. Since 30 June 2014 freehold property has been reflected in the financial statements at depreciated replacement cost.

Depreciation is provided so as to write off the cost of the assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned at the following annual rates:

Furniture and equipment - 20-33.3%

Website - 25%

No depreciation is being charged on freehold property as in the opinion of the trustees any charge would not be material due to the very long useful life of the asset. The Trustees annually review the carrying value for indication of any impairment.

g) Investments

Listed investments are held at market value, and represent investments administered by investment managers on behalf of the charity. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate fund according to the "ownership" of the underlying assets. Unlisted investments are held at cost less any impairment.

h) Stocks

Stocks are stated at the lower of cost and net realisable value.

2	Donations and legacies	Unrestricted Funds	Restricted funds	Total funds 2019	Total funds 2018
		£	£	£	£
	Donations and grants:				
	Patrons and Friends of the RWA	58,691	3,300	61,991	55,091
	Other donations and Gift Aid	16,065	1,000	17,065	39,513
	Arts Council England	-	1,530	1,530	15,500
	Henry Moore Foundation	-	7,000	7,000	-
	Bristol City Council	12,000	-	12,000	18,744
	John James Bristol Foundation	-	27,540	27,540	-
	Lark Trust	-	2,629	2,629	4,200
	South West Museum Development	-	5,406	5,406	-
	Quartet Foundation	-	5,000	5,000	-
	Other grants	-	7,110	7,110	20,540
	Sponsorship	25,588	-	25,588	19,767
		112,344	60,515	172,859	173,355

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2018

3 Income from charitable activities	2019	2018
	£	£
Exhibitions and events	325,388	272,481
Gift Shop	58,584	78,864
Drawing School and learning activities	128,853	119,212
Rental of Art School premises	92,057	77,563
	604,882	548,120

4 Other trading activities	2019	2018
	£	£
Hire of Galleries and other activities	46,022	37,738

5 Investments	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	2019	2018
			£	£
Dividends and other distributions	-	21,161	21,161	17,996
Bank interest	323	188	511	146
	323	21,349	21,672	18,142

6 Net income for the year

This is stated after charging:

	2019	2018
	£	£
Auditor's remuneration	5,400	5,925
Depreciation of tangible fixed assets	15,056	14,702

No Trustee received any remuneration as a Trustee during 2019 or 2018. Donations from Trustees and related parties during the year amounted to £4,925 (2018 - £4,225).

7 Staff costs and numbers

Staff costs comprise:	2019	2018
	£	£
Wages and salaries	386,386	375,905
Social security costs	26,754	25,102
Pension contributions	7,614	6,330
	420,754	407,337

No employee received emoluments of more than £60,000 in either 2019 or 2018.

The key management personnel comprise the Trustees, the Director, and the Heads of Development, Finance and Programmes. The total employee benefits of the key management personnel were £162,860 (2018 - £153,466).

ROYAL WEST OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2019

Staff costs and numbers (continued)

The average headcount of staff during the year was as follows:

	2019	2018
	No.	No.
Gallery	14	14
Learning	3	3
Support	7	7
Total	24	24

A high proportion of the RWA's staff are part-time.

8 Analysis of expenditure

	Direct costs	Support costs	Total 2019	Total 2018
	£	£	£	£
On raising funds				
Fundraising costs including investment management fees	58,806	3,327	62,133	59,391
Other trading costs	21,546	-	21,546	31,673
	80,352	3,327	83,679	91,064
On charitable activities				
Exhibitions, events and related activities	273,325	317,986	591,311	587,779
Drawing school and Learning activities	121,011	32,158	153,169	164,625
	394,336	350,144	744,480	752,404
Total expenditure	474,688	353,471	828,159	843,468

9 Analysis and allocation of support costs

Support costs:	Staff	General Office	Total 2019	Total 2018
	£	£	£	£
Raising funds	-	3,327	3,327	4,196
Charitable activities				
Exhibitions	116,873	201,113	317,986	308,994
Drawing School and learning activities	12,985	19,173	32,158	29,326
	129,858	223,613	353,471	342,516

Staff costs have been apportioned on the basis of the estimated time spent on the various activities and the estimated use of other resources.

Support costs in respect of charitable activities include governance costs totalling £5,887 (2018 - £6,908).

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2019

10 Tangible fixed assets

	Freehold property £	Furniture and equipment £	Total £
Cost			
At 1 July 2018	4,570,000	172,425	4,742,425
Additions for year	-	3,234	3,234
At 30 June 2019	4,570,000	175,659	4,745,659
Depreciation			
At 1 July 2018	-	139,998	139,998
Charge for the year	-	15,056	15,056
At 30 June 2019	-	155,054	155,054
Net book value			
At 30 June 2019	4,570,000	20,605	4,590,605
At 30 June 2018	4,570,000	32,427	4,602,427

Freehold property is stated at a depreciated replacement cost of £4,570,000 based on a valuation carried out by Alder King, Property Consultants, as at 30 June 2014. This amount includes £870,000 in respect of land originally endowed in 1852 to the Bristol Academy for the Promotion of Fine Arts, the forerunner of the RWA.

The Trustees of the National Heritage Memorial Fund hold a legal charge (to a maximum of £350,000 plus costs) over the freehold property in respect of their financial contribution to the RWA Appeal.

11 Investments

	2019 £	2018 £
Unlisted investments	1	1
Listed investments	731,828	701,025
Cash investments	841	22,065
	732,670	723,091
Listed investments		
Market value at 1 July 2018	701,025	673,909
Additions at cost	115,185	120,001
Disposal proceeds	(99,752)	(137,286)
Investment gains	15,370	44,401
Market value at 30 June 2019	731,828	701,025
Historical cost	635,068	624,086

All investments are investment assets in the UK.

The charity has a subsidiary company called RWA Trading Limited (company number 07647695), registered in England & Wales with a share capital of £1. The company remains dormant.

ROYAL WEST OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2019

12 Heritage assets - Works of Art

As mentioned in note 1 the bulk of the Academy's permanent collection was acquired many years ago and has never been included in the RWA's balance sheet due to lack of information in relation to its original cost or value at the time of donation or bequest. In the opinion of the trustees it would be both difficult and costly to attribute an appropriate value to the collection.

The RWA's permanent collection consists of over 1300 works of art including works on paper, oil, acrylics, sculpture, and architectural models. It comprises fine examples of portraiture, landscapes, still life, abstract and figurative work predominately by South West artists.

A small but significant group of 19th Century work relates to the period of RWA's establishment some of which were acquired by the virtue of the Sharples bequest in 1849. A recent requirement that all newly elected RWA Academicians must donate a diploma work to the collection adds a continuing contemporary element to the collection.

Whilst no expenditure was incurred on additions to the collection in either 2019 or 2018, a number of diploma works were donated to the Academy.

Works of art of particular importance

The most substantial group of around 900 works bought since 1941 includes significant works by major 20th Century artists including Vanessa Bell, Duncan Grant, Dod Procter, Gilbert Spencer, Carel Weight, Mary Fedden, Julian Trevelyan and Anne Redpath. This is an important body of work by a range of artists with close connections with Bristol and the West of England post-1941 and includes paintings, drawings, prints and sculpture.

Preservation and management

Environmental conditions within the permanent collection store are continually monitored to ensure that the works are kept at temperature and humidity levels based on museum working practice.

An assessment of remedial conservation requirements has been undertaken and a number of works have been subject to remedial and preventive conservation work covered by funding from the Heritage Lottery Fund and the Association of Independent Museums.

The RWA maintains a register of accessions, movements and de-accessions for the permanent collection.

13 Stocks	2019	2018
	£	£
Gift shop stock, including books, catalogues and prints	13,049	15,157
14 Debtors	2019	2018
	£	£
Trade debtors	4,825	9,291
Other debtors	10,690	4,337
Prepayments and accrued income	61,395	81,700
	76,910	95,328
15 Creditors: Amounts falling due within 1 year	2019	2018
	£	£
Trade creditors	45,822	73,105
Other creditors	26,199	14,055
Taxation and social security	6,587	17,295
Accruals and deferred income	69,320	61,925
	147,928	166,380

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2019

16	Reconciliation of net movement in funds to net cash flow from operating activities		2019	2018			
			£	£			
	Net movement in funds for the year		32,646	(21,712)			
	Gains on investments		(15,370)	(44,401)			
	Depreciation		15,056	14,702			
	Investment income		(21,672)	(18,142)			
	Increase/ (decrease) in stock		2,108	(4,096)			
	Decrease/ (increase) in debtors		18,418	(9,903)			
	(Decrease)/ increase in creditors		(18,452)	70,363			
	Net cash inflow/(outflow) from operating activities		12,734	(13,189)			
Analysis of changes in cash during the year		Change	2019	2018			
		£	£	£			
Cash at bank and in hand		36,963	162,702	125,739			
Cash in the investment portfolio		(21,224)	841	22,065			
		15,739	163,543	147,804			
Prior year comparative		Change	2018	2017			
Analysis of changes in cash during the year		£	£	£			
Cash at bank and in hand		6,551	125,739	119,188			
Cash in the investment portfolio		13,151	22,065	8,914			
		19,702	147,804	128,102			
17	Funds	At 1 July 2018	Income	Expenditure	Investment gains/(losses)	At 30 June 2019	
		£	£	£	£	£	
	Endowment funds						
	The Theresa Knowles Scholarship	22,314	-	-	(514)	21,800	
	Endowed freehold property	4,570,000	-	-	-	4,570,000	
		4,592,314	-	-	(514)	4,591,800	
	Restricted funds						
	The Mrs AA Talboys Bequest	779,370	20,240	(28,639)	15,884	786,855	
	The Theresa Knowles Scholarship	7,469	1,109	(1,000)	-	7,578	
	Other funds relating to:						
	- premises and equipment	11,873	33,168	(36,698)	-	8,343	
	- learning	640	12,676	(12,676)	-	640	
	- business	-	5,706	(2,815)	-	2,891	
	- exhibitions	-	8,965	(8,965)	-	-	
		799,352	81,864	(90,793)	15,884	806,307	
	Unrestricted funds		3,696	763,571	(737,366)	-	29,901
	Total funds		5,395,362	845,435	(828,159)	15,370	5,428,008

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2019

17 Funds (continued)

The Theresa Knowles Scholarship

This endowment fund was established to generate income for an artist to study art in Italy. The investment income arising on the fund is credited to the restricted fund in her name.

Endowed property

The endowed property comprises the RWA building, erected in 1858 as a public art gallery and art school, on land acquired for that purpose by the then Bristol Academy of Fine Art, with funds including the Ellen Sharples bequest.

Mrs AA Talboys Bequest

This restricted fund derives from a bequest by Mrs Talboys in 1918. The bequest, as subsequently amended, established an endowment fund and provided that the income should be used for the purchase of art and, in certain circumstances, for the upkeep and maintenance of the RWA and its permanent collection.

During 2014 the Charity Commission concurred with a Trustees' resolution that the endowment fund be freed from the restrictions that applied to it with respect to expenditure. As a consequence the funds of the Mrs AA Talboys Bequest were classified as restricted funds.

The Mrs AA Talboys Bequest expenditure of £28,639 comprises £23,383 charged to property and £5,256 investment fund management fees for the year.

Other restricted funds

Other restricted funds relate to grants and donations received for specific purposes.

Prior year comparative	At 1 July 2017 £	Income £	Expenditure £	Investment gains £	At 30 June 2018 £
Endowment funds					
The Theresa Knowles Scholarship	21,964	-	-	350	22,314
Endowed freehold property	4,570,000	-	-	-	4,570,000
	4,591,964	-	-	350	4,592,314
Restricted funds					
The Mrs AA Talboys Bequest	763,682	17,101	(45,464)	44,051	779,370
The Theresa Knowles Scholarship	6,431	1,038	-	-	7,469
Other funds relating to:					
- premises and equipment	15,262	5,699	(9,088)	-	11,873
- exhibitions	995	23,000	(23,995)	-	-
- learning	7,848	2,740	(9,948)	-	640
- business development	10,294	4,600	(14,894)	-	-
	804,512	54,178	(103,389)	44,051	799,352
Unrestricted funds	20,598	723,177	(740,079)	-	3,696
Total funds	5,417,074	777,355	(843,468)	44,401	5,395,362

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2018

18 Allocation of net assets

	Fixed Assets £	Investments £	Cash £	Intra fund loan £	Other net liabilities £	Total 30 June 2019 £
Endowment funds						
The Theresa Knowles Scholarship	-	21,800	-	-	-	21,800
Endowed freehold property	4,570,000	-	-	-	-	4,570,000
	4,570,000	21,800	-	-	-	4,591,800
Restricted funds						
The Mrs AA Talboys Bequest	-	710,869	47,798	32,000	(3,812)	786,855
The Theresa Knowles Scholarship	-	-	7,578	-	-	7,578
Other funds relating to:-						
- premises and equipment	-	-	8,343	-	-	8,343
- learning	-	-	640	-	-	640
- business	-	-	2,891	-	-	2,891
	-	710,869	67,250	32,000	(3,812)	806,307
Unrestricted funds	20,605	1	95,452	(32,000)	(54,157)	29,901
Total funds	4,590,605	732,670	162,702	-	(57,969)	5,428,008

As agreed with the Charity Commission an amount of £42,000 owing to The Mrs AA Talboys Bequest is being repaid over 21 years from June 2015 by annual instalments of £2,000 from the unrestricted fund, resulting in a balance of £32,000 outstanding at 30 June 2019 (2018 £34,000).

Prior year comparative

	Fixed assets £	Investments £	Cash £	Intra fund loan £	Other net liabilities £	30 June 2018 £
Endowment funds						
The Theresa Knowles Scholarship	-	22,314	-	-	-	22,314
Endowed freehold property	4,570,000	-	-	-	-	4,570,000
	4,570,000	22,314	-	-	-	4,592,314
Restricted funds						
The Mrs AA Talboys Bequest	-	700,776	52,331	34,000	(7,737)	779,370
The Theresa Knowles Scholarship	-	-	7,469	-	-	7,469
Other funds relating to:-						
- premises and equipment	-	-	11,873	-	-	11,873
- learning	-	-	640	-	-	640
	-	700,776	72,313	34,000	(7,737)	799,352
Unrestricted funds	32,427	1	53,426	(34,000)	(48,158)	3,696
Total funds	4,602,427	723,091	125,739	-	(55,895)	5,395,362

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2018

19 Prior year comparatives

Statement of financial activities Year ended 30 June 2018

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2018
	£	£	£	£
Income from:				
Donations and legacies	137,316	36,039	-	173,355
Charitable activities	548,120	-	-	548,120
Other trading activities	37,738	-	-	37,738
Investments	3	18,139	-	18,142
Total income	723,177	54,178	-	777,355
Expenditure on:				
Charitable activities	664,753	87,651	-	752,404
Raising funds	75,326	15,738	-	91,064
Total expenditure	740,079	103,389	-	843,468
Gains on investments	-	44,051	350	44,401
Net (expenditure), being net movement in funds	(16,902)	(5,160)	350	(21,712)
Total funds at 1 July 2017	20,598	804,512	4,591,964	5,417,074
Total funds at 30 June 2018	3,696	799,352	4,592,314	5,395,362

20 Related Party transactions

As permitted under the memorandum and articles of association, one Trustee, Stewart Geddes, received a payment in respect of work undertaken in 2019 as a Drawing School course tutor of £713 (2018: £3,181).

21 Capital commitments

At the year end there was a commitment to purchase a server for £12,000.

22 Controlling party

Being a company limited by guarantee the charity is controlled by its members. The members are the directors of the company and each member's liability is limited to £1. The Board does not consider that any one member has control over the company.

ROYAL WEST OF ENGLAND ACADEMY

STAFF, ACADEMICIANS' COUNCIL AND SUPPORTERS

Staff

Director – Alison Bevan
Head of Development – Kate Foster
Head of Finance – Nicola Prosser
Head of Programme & Exhibitions Curator – Nathalie Levi
RWA Drawing School Manager – Sophie Bristol & Sarah Craig
Learning & Participation Manager – Helen Jacobs
Marketing Manager: Brand & PR – Suzanne Moon
Marketing Manager: Digital – Emily Browne
Visitor Experience Manager – Magdalena Byczek
Retail Coordinator – Aimee Blampied
Assistant Curator – Jess Kirkby
Volunteer Supervisors – Ellika Larsson
Curatorial Technician – Tristan Pollard
Administrative Assistant – Jacqueline Pucher
Facilities Manager – Ben Rowe
Events Manager – Arianne Fournier- Carey
FOH Supervisor – Rosie Dolton
Front of House and Events Assistants:
Elisa Cunningham, Fiona Feane, Rebecca Prince, Olive Haigh, Nicola Gillam, Amy Trevorow, Ruby Gilmour, Matilda Boyer, Alisha Bradbury

UWE Curatorial Placement – Francesca Beards

Academicians' Council

President: Stewart Geddes PRWA (until 28 Sept 2019)
President: Fiona Robinson PRWA (from 29 Sept 2019)
Vice President: Ros Ford VPRWA
Secretary: Charlotte Price

Council Members:

Lucy Austin
Dallas Collins
Deborah Westmancoat
Sandra Porter
Yvonne Crossley
Ian Middleton
Mark Prescott
Fiona Robinson

Patrons

GOLD

Linda & Russ Carr Hon RWA
Sarah & Tony Kenny
Peter Stoppard OBE, Hon RWA

SILVER

Diana & Richard Baker
Michael & Anne Beesley
Keith & Gill Bonham
Consumer Intelligence Ltd
Jill & Colin Dunmore
Timothy & Judith Lockwood Jones
Effie & Michael Romain
Geoff & Jenny Sharman
Nicole Sherwood
Sir James & Lady Tidmarsh
Martin Wright & Stephane Darc

BRONZE

Nick & Tara Arkle
Yvonne Ashton
Derek Balmer PPRWA
John Bedford
Vivien & Norman Biddle Hon RWA
Michael Clarke
Jerry & Annette Cowhig
Maria Crayton
Kathy Curling
Edward & Maire Cussen
Ann & Bryan Fawcett
Rosie Fenlon
Sian Flynn
Lisa & Pes Freeland
John & Heather Frenkel
Roger & Judy Gallannaugh
Tony Gordon
Paul and Kathleen Gough
Martin & Jane Griffiths
Joan Hawkins
Victoria Hayman
Clive Hetherington
Ajith Jayawickrema & Francesca Laycock

BRONZE cont'd

Cameron & Ros Kennedy
Ian Learner
Charles & Caroline Lucas
Matthey Maneely
Harry & Laura Marshall
Bridget McCrum RWA
Chris & Cate Mitchell
Terence Mordaunt
Carole & Andrew Nicholls
Andrew & Anne Nisbet
Sir David & Lady Ord
Mary & John Prior
Simon Quadrant PPRWA
Bina Shah & Steve Loughran
Dee Smart Hon RWA
Professor Derek Smith
Gill & Guy Stobart
Renee Thornton
John & Kimberly Vasey
Peter & Helen Wilde
Joanna & Charles Wyld
Andrew & Rosemarie Yates

Supporting Trusts, Foundations and other organisations:

Art UK	Joan Hawkins Fund
Arts Council England	John James Bristol Foundation
Aqua	Nicholls Stevens
Big Lottery Fund	Portishead Nautical Trust
Bishop Fleming	Quartet Community Foundation
Bonhams	Smith & Williamson
Bristol City Council	South West Museum Development Programme
DAC Beachcroft	The Friends of the RWA
Dame Violet Wills Will Trust	The Lark Trust
Derek Hill Foundation	University of Bristol
Fresh Art Fair	University of Gloucestershire
Henry Moore Foundation	