

ARTISTS GENERAL BENEVOLENT INSTITUTION

Financial Statements for the Year Ended 5 April 2023

Xeinadin Auditing
Chartered Accountants and Statutory Auditors
Becket House
36 Old Jewry
London
EC2R 8DD

ARTISTS GENERAL BENEVOLENT INSTITUTION

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ARTISTS GENERAL BENEVOLENT INSTITUTION

Report of the Trustees for the year ended 5 April 2023

The Trustees present this report with the financial statements of the charity for the year ended 5th April 2023.

The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objective of the Artists' General Benevolent Institution (the "AGBI") is to provide a grant-giving programme that assists professional artists, whose work has been known to the public for some time who are unable to work and earn due to accident, illness or older age, and their widows/widowers and dependents. The overall charitable aim of the AGBI is the relief of poverty and the alleviation of stress in the professional artists who meet its criteria and to seek additional funding to further these aims.

Statement of Public Benefit

The Trustees confirm that the AGBI has complied with the duty under section 17 of the Charities Act 2011 to have due regard to the Public Benefit Guidance published by the Charity Commission in determining the activities undertaken by the charity.

The Trustees consider the activities of the AGBI have provided public benefit by means of the relief of poverty provided by the charity's grants programme, and by the support, information and guidance that it provides to the applicants whom it supports.

The Achievement and Performance section of this report illustrates the activities which the charity carries out for the public benefit. The activities of the AGBI are exclusively charitable for the benefit of its applicants.

Grantmaking Policy

The AGBI provides grants for financial assistance to professional artists in need who through accident, illness or old age, are unable to work and earn a living, and their dependents who are in need and living in England, Wales or Northern Ireland (with Scotland having its own fund).

The AGBI accepts applications for grants from professional visual artists, their bereaved partners and dependent children living in England, Wales or Northern Ireland (with Scotland having its own fund), who are unable to work or earn due to injury, illness or older age.

Applications are initially made by telephone, post or email with a full curriculum vitae listing all training, exhibitions in professional galleries/spaces, and teaching experience (if any) at A-Level or above.

All new applicants are assessed by the Secretary to establish the veracity and accuracy of their application and to obtain examples of their work and related information, together with letters from two professional supporters and a letter from their GP or consultant evidencing their medical situation (if applicable) for examination by the AGBI's Medical Advisor, and are then assessed by the Artists Council at its next meeting when their application will be considered.

Grants are awarded by the AGBI for a period of one year; after which, if appropriate, the applicant is invited to submit a further application and, if justified, another grant is provided for a further year at the sole discretion of the Artists Council. Grants will only be continued if the need for assistance persists and the applicant continues to meet the charity's criteria. Grants will immediately stop should an applicant die and no surviving partner or dependent children remain.

Grants are never awarded to fund exhibitions, any legal difficulties or, in the case of career difficulties, loss of earnings due to poor sales or expenses associated with exhibitions.

The AGBI manages a restricted fund specifically to assist the orphans of eligible professional visual artists. This fund is called the AGBI Children's Fund. The revised bye-laws (2022) of this fund define an orphan as a child of no more than the age of 25 who remains in education and who has lost the support of one or both parents through death, absence or disability.

ARTISTS GENERAL BENEVOLENT INSTITUTION

Report of the Trustees for the year ended 5 April 2023

ACHIEVEMENT AND PERFORMANCE

Charitable Objectives

Number of Applicants and Grants

As stated above, the charitable objective of the AGBI is to provide a grant-giving programme that assists professional visual artists who cannot work due to injury, illness or older age.

In the financial year 2022/23, the AGBI provided financial support to a total of 79 professional visual artists in need and their dependents. The AGBI assessed all 79 applicants on a case-by-case basis and committed to provide total funding of £271,669.

Eight further applications were declined because the applicants did not meet the eligibility criteria, or their circumstances improved to the level where our help was no longer deemed to be needed.

The AGBI received more applications in 2022/23 than in 2021/22. Of the 79 artists helped, 17 were new applications, compared with seven in the previous year; and 62 artists received continuing help, compared with 56 in the previous year.

A total of 18 orphans were supported by the AGBI Children's Fund, compared to 14 orphans in the previous year.

Seven distinguished artists received the AGBI Jubilee Award in recognition of their contribution to the art world; this is the same number as the previous year.

The Trustees and members of the Artists Council are sorry to report three beneficiaries died in the financial year.

Property Update

In August 2022, the AGBI moved into new premises at 15 Churton Street, London, SW1V 2LY.

This freehold building was acquired by the charity in 2019 and fully refurbished in 2021/2022. The building consists of the charity's offices on the ground and lower-ground floors and a self-contained flat on the second and third floors. The flat was successfully let in December 2022. The rental income from the flat assists in diversifying the sources of the charity's revenues.

The offices provide a flexible working and exhibition space where the AGBI can offer more services to its applicants and increase public awareness of the AGBI with a programme of events and exhibitions. The charity's 200-year-old archive are now housed in the building, having been in storage for several years.

Additional applicant services include face-to-face medical support in a consultation room where the AGBI's medical advisor regularly meets new and existing applicants, and artist-led groups called 'Artists Sessions' where applicants meet and talk about how their illnesses have affected their lives, their work and their professional practice.

Fundraising Activities

The AGBI's Stewards raised £22,030 of donations in 2022/23. The commitment and fundraising efforts of the Stewards, who not only raise funds, but identify potential applicants from within their networks, enable the AGBI to continue helping artists in need. The AGBI wishes to express its appreciation and thanks to all its Stewards.

The AGBI received £53,645 in legacies received or bequeathed. Donations in memory of relatives, friends and fellow artists provide a poignant commemoration and the AGBI is grateful for these donations.

ARTISTS GENERAL BENEVOLENT INSTITUTION

Report of the Trustees for the year ended 5 April 2023

FINANCIAL REVIEW

Principal Funding Sources

The AGBI relies on four principal sources of income: voluntary income which includes annual subscriptions, one-off donations and amounts raised by its stewards; legacies; investment income generated from its investment portfolios which are managed during the year by Veritas Investment Partners and Waverton Investment Management; and rental income from the self-contained flat above the charity's office.

The AGBI's broad financial objective continues to be to maximise the total level of its voluntary and investment income each year in order to enable the AGBI to meet the needs of eligible applicants, while seeking to maintain its ability to support its grant-making in future.

During the financial year to 5th April 2023, the AGBI's incoming resources (not including legacies) totalled £280,837, compared to £250,034 in the previous year.

Voluntary income in this period totalled £73,629, compared to £68,552 in the previous financial year.

Legacies in this period totalled £53,645, compared to £351,500 in the previous financial year.

Investment income in this period (net of investment management fees) amounted to £69,796, compared to £82,747 in the previous financial year.

Results for Period and Funds Carried Forward

The level of grants paid and associated costs increased from £499,166 to £511,670.

This resulted in a deficit of £316,205 prior to unrealised net losses on investments which totalled £348,794.

The funds carried forward for the financial year 2023/24 amounted to £15,297,584, which is a decrease on the previous year when they were £15,920,583.

Investment Policy and Performance

Investment Policy

The AGBI's objective is to secure a total return on the charity's investments that enables current demands from applicants to be appropriately satisfied and that supports its ability to meet future demands through long term growth of the charity's assets.

The AGBI is a long-term investor and has determined that the best policy for the AGBI is to continue holding a mixed portfolio of equities, bonds, cash and other investments with the aim of providing sufficient returns, whether from income or from the realisation of investments, to support the costs of its grant-making programme and to secure an increase in the value of the portfolio to support the AGBI's activities in future.

Investment Committee

The AGBI has delegated responsibility for managing its investment portfolio to an Investment Committee which reports on performance to the Trustees.

The Investment Committee received quarterly investment reports from Veritas Investment Partners and Waverton Investment Management on their performance as investment managers of its portfolio.

The Investment Committee met twice during the financial year to review the performance of the investment managers and to ensure that sufficient income from the portfolios is available to maintain the AGBI's grant programme and to support the operational costs of the charity after taking account of the charity's other sources of income.

Investment Performance

In the financial year 2022/23, the income yield on the investments managed by the investment managers, after fees, was £69,796 or 0.58% (based on market values at the year-end).

Reserves Policy

As at 5th April 2023, the AGBI's total funds amounted to £15,297,584, all of which were unrestricted apart from the AGBI Children's Fund which totalled £1,924,655. These funds allow the charity to continue its current activities and to support a sound financial basis for the future.

ARTISTS GENERAL BENEVOLENT INSTITUTION

Report of the Trustees for the year ended 5 April 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Artists' General Benevolent Institution (the "AGBI") is a registered charity, number 212667. It was founded in 1814 by members of The Royal Academy of Arts and incorporated by Royal Charter in 1842.

The charity's governing document comprises the bye-laws which were revised in 2021/22 and adopted at the Annual General Meeting on 7th January 2022. The Royal Charter was not amended.

Governance and Management

As at 5th April 2023, the AGBI was governed by its bye-laws (2022) which recommended that the AGBI should have between a minimum of three Trustees and a maximum of nine Trustees (to the extent possible). At each Annual General Meeting all the Trustees retire and are then eligible for re-election. The Trustees are supported by the Artists Council and the Investment Committee.

The Artists Council meets ten times a year to consider new cases and review existing cases. The Investment Committee monitors quarterly reports on the performance of the AGBI's investments and meets biannually to discuss investment performance and related risk management.

The day-to-day administration of the grants and the processing of the applications prior to consideration by the Artists Council is delegated to the Secretary.

Newly appointed Trustees receive an induction pack containing details of the structure of the charity, a copy of the bye-laws (2022, the Charity Commission publication 'The Essential Trustee, what you need to know, what you need to do (CC3)' and the charity's 'Conflict of Interest Policy' which was adopted in 2016; they are supported by the other Trustees and the Secretary.

Newly appointed members of the Artists Council receive a more concise induction pack containing the main information needed to perform their role.

The AGBI is registered with the Information Commissioner's Office (ICO) in order to comply with General Data Protection Regulation (2018). The AGBI's ICO reference ZA353188.

The AGBI is a member of the Association of Charitable Organisations (ACO), which is the national UK umbrella body for charities that give grants and welfare support to individuals in need. Founded in 1946, the ACO is a powerful and growing network of over 100 members, all joined by the common goal of offering support to help people in need.

ARTISTS GENERAL BENEVOLENT INSTITUTION

Report of the Trustees for the year ended 5 April 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

212667

Principal address

15 Churton Street
Pimlico
London
SW1V 2LY

Telephone

020 7734 1193

Honorary Appointments, Trustees and Committee Members**President**

Nicola Hicks MBE

Honorary Treasurer

Patrick Crawford CB

Trustees

Stephen Bartlett
Patrick Crawford CB
Richard Gault
Nicola Hicks MBE (Chair)

The Artists Council

Stephen Bartlett
Francis Bowyer PPRWS NEAC
The Viscountess Bridgeman CBE FRSA
Patrick Crawford CB
Jo Dennis
Richard Gault
Nicola Hicks MBE
Jonathan Horwich
Sam McKechnie
Professor Brendan Neiland
William Packer Hon FRCA NEAC
Veronica Ricks
Jamie Routley
Susie Thomson

Honorary President

Rebecca Salter, President of the Royal Academy of Arts

Investment Committee

Patrick Crawford CB (Chair)
Rupert Caldecott
Dahlia Dana
Nicola Hicks MBE
Charles White

Medical Advisor

Dr Michael Gormley

ARTISTS GENERAL BENEVOLENT INSTITUTION

Report of the Trustees for the year ended 5 April 2023

Honorary Retired Members

Gus Cummins RA
David Gentleman RDI
Charlotte Halliday RWS NEAC
William Pye
Jacqueline Rizvi RBA RWS NEAC

Secretary to the Trustees and CEO

Brad Feltham

Assistant Secretary

Barbara Galloway

Head of Community, Exhibitions and Collections

Abbie Griffiths

Financial Controller

Jacki Haggard

Auditors

Xeinadin Auditing
Chartered Accountants and Statutory Auditors
Becket House
36 Old Jewry
London
EC2R 8DD

Bankers

Coutts and Co
Commercial Banking
440 The Strand
London
WC2R 0QS

Solicitors

Winckworth Sherwood LLP
Minerva House
5 Montague Close
London
SE1 9BB

Investment Managers

Veritas Investment Partners
Riverside House
2a Southwark Bridge Road
London
SE1 9HA

Waverton Investment Management
16 Babmaes Street
London
SW1Y 6AH

Insurers

Hiscox Insurance Company Limited,
1 Great St. Helens,
London,
EC3A 6HX.

ARTISTS GENERAL BENEVOLENT INSTITUTION

Report of the Trustees for the year ended 5 April 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by order of the board of trustees on and signed on its behalf by:

.....

N Hicks MBE - Trustee

Report of the Independent Auditors to the Trustees of Artists General Benevolent Institution

Opinion

We have audited the financial statements of Artists General Benevolent Institution (the 'charity') for the year ended 5 April 2023 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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 that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of Artists General Benevolent Institution

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees 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.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and the related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to event or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors report to the related disclosure in the financial statements or, if such disclosures are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of
Artists General Benevolent Institution**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Xeinadin Auditing
Chartered Accountants and Statutory Auditors
Becket House
36 Old Jewry
London
EC2R 8DD

Date:

ARTISTS GENERAL BENEVOLENT INSTITUTION

Statement of Financial Activities for the year ended 5 April 2023

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	127,274	-	127,274	420,052
Other trading activities	4	28,849	-	28,849	10,836
Investment income	5	146,057	32,302	178,359	170,648
Total		<u>302,180</u>	<u>32,302</u>	<u>334,482</u>	<u>601,536</u>
EXPENDITURE ON					
Raising funds	6	85,770	11,247	97,017	83,615
Charitable activities	7				
Grants paid and associated costs		<u>434,759</u>	<u>76,911</u>	<u>511,670</u>	<u>499,166</u>
Total		<u>520,529</u>	<u>88,158</u>	<u>608,687</u>	<u>582,781</u>
Net gains/(losses) on investments		<u>(293,286)</u>	<u>(55,508)</u>	<u>(348,794)</u>	<u>940,546</u>
NET INCOME/(EXPENDITURE)		<u>(511,635)</u>	<u>(111,364)</u>	<u>(622,999)</u>	<u>959,301</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>13,884,564</u>	<u>2,036,019</u>	<u>15,920,583</u>	<u>14,961,282</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>13,372,929</u></u>	<u><u>1,924,655</u></u>	<u><u>15,297,584</u></u>	<u><u>15,920,583</u></u>

The notes form part of these financial statements

ARTISTS GENERAL BENEVOLENT INSTITUTION

Balance Sheet 5 April 2023

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	13	2,327,996	-	2,327,996	2,177,910
Investments	14	10,305,717	1,807,247	12,112,964	12,564,270
		<u>12,633,713</u>	<u>1,807,247</u>	<u>14,440,960</u>	<u>14,742,180</u>
CURRENT ASSETS					
Stocks	15	676	-	676	676
Debtors	16	363,264	2,242	365,506	363,889
Cash at bank and in hand		441,600	115,166	556,766	855,705
		<u>805,540</u>	<u>117,408</u>	<u>922,948</u>	<u>1,220,270</u>
CREDITORS					
Amounts falling due within one year	17	(66,324)	-	(66,324)	(41,867)
NET CURRENT ASSETS		<u>739,216</u>	<u>117,408</u>	<u>856,624</u>	<u>1,178,403</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>13,372,929</u>	<u>1,924,655</u>	<u>15,297,584</u>	<u>15,920,583</u>
NET ASSETS		<u>13,372,929</u>	<u>1,924,655</u>	<u>15,297,584</u>	<u>15,920,583</u>
FUNDS	18				
Unrestricted funds				13,372,929	13,884,564
Restricted funds				1,924,655	2,036,019
TOTAL FUNDS				<u>15,297,584</u>	<u>15,920,583</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Patrick Crawford CB - Honorary Treasurer

ARTISTS GENERAL BENEVOLENT INSTITUTION

Cash Flow Statement for the year ended 5 April 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(163,579)	(2,931)
Tax paid		(1,148)	87
Net cash used in operating activities		<u>(164,727)</u>	<u>(2,844)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(152,122)	(447,504)
Sale of fixed asset investments		9,255	1,009,190
Interest received		8,655	138
Net cash (used in)/provided by investing activities		<u>(134,212)</u>	<u>561,824</u>
Change in cash and cash equivalents in the reporting period		<u>(298,939)</u>	<u>558,980</u>
Cash and cash equivalents at the beginning of the reporting period		<u>855,705</u>	<u>296,725</u>
Cash and cash equivalents at the end of the reporting period		<u><u>556,766</u></u>	<u><u>855,705</u></u>

The notes form part of these financial statements

ARTISTS GENERAL BENEVOLENT INSTITUTION

Notes to the Cash Flow Statement for the year ended 5 April 2023

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(622,999)	959,301
Adjustments for:		
Depreciation charges	2,036	931
Losses/(gain) on investments	348,794	(940,548)
Interest received	(8,655)	(138)
Charges paid from investments	93,257	64,955
Decrease/(increase) in debtors	(469)	(102,473)
Increase in creditors	24,457	15,041
Net cash used in operations	(163,579)	(2,931)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 6.4.22 £	Cash flow £	At 5.4.23 £
Net cash			
Cash at bank and in hand	855,705	(298,939)	556,766
	<u>855,705</u>	<u>(298,939)</u>	<u>556,766</u>
Total	<u>855,705</u>	<u>(298,939)</u>	<u>556,766</u>

The notes form part of these financial statements

ARTISTS GENERAL BENEVOLENT INSTITUTION

Notes to the Financial Statements for the year ended 5 April 2023

1. STATUTORY INFORMATION

The Artists' General Benevolent Institution is an unincorporated charity association. The Charity is registered in England and Wales, Registered Charity number 212667.

2. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on reducing balance
Computer equipment	- 25% on cost

STOCKS

Stocks represent the lower of cost and net realisable value of the Bi-Centenary prints unsold as at 5th April 2023.

TAXATION

The charity is exempt from tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can be used only for the particular restricted purposes within the object of the charity.

Restricted funds represent the funds of the Artists Orphan Fund, a charity merged with the Artists General Benevolent Institution during the year ended 5th April 2015.

Further explanation of the nature of the restricted fund is included in the notes to the financial statements.

TRADE AND OTHER DEBTORS

Trade and other debtors that are receivable within one year and do not constitute a financing transaction are recorded at the undiscounted amount expected to be received, net of any impairment.

Those that are receivable after more than one year or constitute a financing transaction are recorded initially at fair value less transaction costs and subsequently at amortised costs, net of impairment.

ARTISTS GENERAL BENEVOLENT INSTITUTION

Notes to the Financial Statements - continued for the year ended 5 April 2023

2. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings or current liabilities.

Trade and other creditors

Trade and other creditors are initially recognised at the transaction price and are thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

FIXED ASSET INVESTMENTS

Investments are included at closing mid-market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

IRRECOVERABLE VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

3. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Annual subscriptions, donations and amounts collected by stewards	73,629	-	73,629	68,552
Legacies received	53,645	-	53,645	351,500
	<u>127,274</u>	<u>-</u>	<u>127,274</u>	<u>420,052</u>

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Christmas card sales	12,649	-	12,649	10,836
Rental income	16,200	-	16,200	-
	<u>28,849</u>	<u>-</u>	<u>28,849</u>	<u>10,836</u>

ARTISTS GENERAL BENEVOLENT INSTITUTION

**Notes to the Financial Statements - continued
for the year ended 5 April 2023**

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Income from investments	130,337	32,302	162,639	162,350
Royalty income	7,065	-	7,065	8,158
Deposit account interest	8,655	-	8,655	138
	<u>146,057</u>	<u>32,302</u>	<u>178,359</u>	<u>170,646</u>

6. RAISING FUNDS

RAISING DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Stewards' expenses	<u>137</u>	<u>-</u>	<u>137</u>	<u>-</u>

OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Purchases	3,941	-	3,941	4,012
Fundraising expenses	96	-	96	-
	<u>4,037</u>	<u>-</u>	<u>4,037</u>	<u>4,012</u>

INVESTMENT MANAGEMENT COSTS

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Support costs	<u>81,596</u>	<u>11,247</u>	<u>92,843</u>	<u>79,603</u>
Aggregate amounts	<u>85,770</u>	<u>11,247</u>	<u>97,017</u>	<u>83,615</u>

ARTISTS GENERAL BENEVOLENT INSTITUTION

Notes to the Financial Statements - continued for the year ended 5 April 2023

7. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 8) £	Support costs (see note 9) £	Totals £
Grants paid and associated costs	<u>271,669</u>	<u>240,001</u>	<u>511,670</u>

8. GRANTS PAYABLE

	2023 £	2022 £
Grants paid and associated costs	<u>271,669</u>	<u>270,473</u>

All grants were paid to individuals for both the years ended 5 April 2023 and 2022.

9. SUPPORT COSTS

	Human resources £	Other £	Governance costs £	Totals £
Investment management costs	-	92,843	-	92,843
Associated costs	<u>171,526</u>	<u>44,674</u>	<u>23,801</u>	<u>240,001</u>
	<u>171,526</u>	<u>137,517</u>	<u>23,801</u>	<u>332,844</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2023 nor for the year ended 5 April 2022.

TRUSTEES' EXPENSES

During the year ended 5th April 2023 no trustees were paid travel expenses (2022: Nil).

11. STAFF COSTS

During the year there was one employee who received emoluments between £70,000 and £80,000 (2022: one).

	2023 £	2022 £
Gross Wages	158,683	153,469
Social Security	13,465	13,517
Pensions	<u>7,171</u>	<u>7,054</u>
Total	<u>179,319</u>	<u>174,040</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Average number of employees in the year	<u>3</u>	<u>3</u>

ARTISTS GENERAL BENEVOLENT INSTITUTION

**Notes to the Financial Statements - continued
for the year ended 5 April 2023**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	420,052	-	420,052
Other trading activities	10,836	-	10,836
Investment income	138,479	32,169	170,648
Total	569,367	32,169	601,536
EXPENDITURE ON			
Raising funds	72,819	10,796	83,615
Charitable activities			
Grants paid and associated costs	431,641	67,525	499,166
Total	504,460	78,321	582,781
Net gains on investments	806,288	134,258	940,546
NET INCOME	871,195	88,106	959,301
RECONCILIATION OF FUNDS			
Total funds brought forward	13,013,369	1,947,913	14,961,282
TOTAL FUNDS CARRIED FORWARD	13,884,564	2,036,019	15,920,583

13. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 6 April 2022	2,174,866	14,360	5,573	2,194,799
Additions	146,972	1,880	3,270	152,122
Disposals	-	(8,576)	(2,928)	(11,504)
At 5 April 2023	2,321,838	7,664	5,915	2,335,417
DEPRECIATION				
At 6 April 2022	-	12,603	4,286	16,889
Charge for year	-	727	1,309	2,036
Eliminated on disposal	-	(8,576)	(2,928)	(11,504)
At 5 April 2023	-	4,754	2,667	7,421
NET BOOK VALUE				
At 5 April 2023	2,321,838	2,910	3,248	2,327,996
At 5 April 2022	2,174,866	1,757	1,287	2,177,910

ARTISTS GENERAL BENEVOLENT INSTITUTION

Notes to the Financial Statements - continued for the year ended 5 April 2023

14. FIXED ASSET INVESTMENTS

	Listed investments £	Cash and settlements pending £	Donated paintings £	Total £
MARKET VALUE				
At 6 April 2022	11,830,305	710,475	23,490	12,564,270
Additions	2,883,000	2,409,203	-	5,292,203
Disposals	(2,409,203)	(2,883,000)	-	(5,292,203)
Revaluations	(348,796)	-	-	(348,796)
Adjustment	(4,622)	(4,631)	-	(9,253)
Management Fees	-	(93,257)	-	(93,257)
At 5 April 2023	11,950,684	138,790	23,490	12,112,964

The charity's investments are managed by independent firms of investment managers with no known restrictions over realisation (other than market standard notice requirements) and are held in cash, UK and overseas stock, such as unit trusts and common investment funds, Gilts and Bonds. All investments are held primarily for an investment return.

There were no investments in UK securities or common investment funds with market values exceeding 5% of the portfolio value in 2022 or in 2023.

The valuation of donated paintings is based on guidance of the estimated sales values from Bonhams' Auction House.

15. STOCKS

	2023 £	2022 £
Stocks	676	676

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Income tax recoverable	3,758	2,610
Prepayments and accrued income	361,748	361,279
	365,506	363,889

ARTISTS GENERAL BENEVOLENT INSTITUTION

**Notes to the Financial Statements - continued
for the year ended 5 April 2023**

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other creditors	<u>66,324</u>	<u>41,867</u>

18. MOVEMENT IN FUNDS

	At 6.4.22 £	Net movement in funds £	At 5.4.23 £
Unrestricted funds			
General fund	13,884,564	(511,635)	13,372,929
Restricted funds			
AGBI - The Children's Fund	2,036,019	(111,364)	1,924,655
TOTAL FUNDS	<u>15,920,583</u>	<u>(622,999)</u>	<u>15,297,584</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	302,180	(520,529)	(293,286)	(511,635)
Restricted funds				
AGBI - The Children's Fund	32,302	(88,158)	(55,508)	(111,364)
TOTAL FUNDS	<u>334,482</u>	<u>(608,687)</u>	<u>(348,794)</u>	<u>(622,999)</u>

Comparatives for movement in funds

	At 6.4.21 £	Net movement in funds £	At 5.4.22 £
Unrestricted funds			
General fund	13,013,369	871,195	13,884,564
Restricted funds			
AGBI - The Children's Fund	1,947,913	88,106	2,036,019
TOTAL FUNDS	<u>14,961,282</u>	<u>959,301</u>	<u>15,920,583</u>

ARTISTS GENERAL BENEVOLENT INSTITUTION

Notes to the Financial Statements - continued for the year ended 5 April 2023

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	569,366	(504,460)	806,289	871,195
Restricted funds				
AGBI - The Children's Fund	32,168	(78,321)	134,259	88,106
TOTAL FUNDS	<u>601,534</u>	<u>(582,781)</u>	<u>940,548</u>	<u>959,301</u>

19. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. Total contributions for the year are disclosed in note 11. There were no outstanding or prepaid contributions at the balance sheet date.

20. RELATED PARTY DISCLOSURES

During the year, annual Jubilee Awards totalling £4,000 (2022 - £4,000) were awarded to former trustees. Two remain as Honorary Retired Members of the Artists' General Benevolent Institution.

21. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other charities of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

ARTISTS GENERAL BENEVOLENT INSTITUTION

Detailed Statement of Financial Activities for the year ended 5 April 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Annual subscriptions, donations and amounts collected by stewards	73,629	68,552
Legacies received	53,645	351,500
	127,274	420,052
Other trading activities		
Christmas card sales	12,649	10,836
Rental income	16,200	-
	28,849	10,836
Investment income		
Income from investments	162,639	162,350
Royalty income	7,065	8,158
Deposit account interest	8,655	138
	178,359	170,646
Total incoming resources	334,482	601,534
EXPENDITURE		
Raising donations and legacies		
Stewards' expenses	137	-
Other trading activities		
Cost of Christmas cards	3,941	4,012
Fundraising expenses	96	-
	4,037	4,012
Charitable activities		
Grants to individuals	271,669	270,473
Support costs		
Human resources		
Wages	150,951	145,796
Social security	12,542	12,641
Pensions	6,812	6,701
Visiting expenses	1,221	34
	171,526	165,172

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ARTISTS GENERAL BENEVOLENT INSTITUTION

Detailed Statement of Financial Activities for the year ended 5 April 2023

	2023 £	2022 £
Other		
Investment management fees	92,843	79,603
Churton Street Expenses	11,612	3,052
Postage	1,023	794
Telephone	316	573
Office stationery Advertising	1,535	1,726
Computer expenses	420	-
Legal fees	2,497	1,816
Professional fees	390	8,850
Repairs and renewals	-	9,200
Cleaning	1,380	-
Bank charges	2,113	1,397
Sundry expenses	1,456	1,779
Other gifts	2,768	2,467
Gain/loss on foreign exchange	114	159
Insurance and service charges	5,180	-
Subscriptions	10,520	7,995
Training	1,314	892
Fixtures and fittings depr.	-	6
Computer equipment depr.	727	440
	1,309	491
	137,517	121,240
Governance costs		
Wages		
Social security	7,732	7,673
Pensions	923	876
Auditors' remuneration	359	353
Annual report and AGM	8,580	6,580
Trustee meeting expenses	5,080	5,328
	1,127	1,074
	23,801	21,884
Total resources expended	608,687	582,781
Net (expenditure)/income before gains and losses	(274,205)	18,753
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	(168,382)	538,193
Net (expenditure)/income	<u>(442,587)</u>	<u>556,946</u>

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