



De Morgan Foundation

Trustee's Annual Report & Accounts 2021

TRUSTEE'S REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

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Front cover images:

Evelyn De Morgan, *S.O.S.* (1914-1916)

William De Morgan, *Bear and Hare Dish* (1872-1907)

TRUSTEE'S REPORT

The Trustee presents the annual report together with the financial statements of the De Morgan Foundation for the year ended 31st December 2021.

The Trustee confirms that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing documents and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities".

2021 was another challenging year for the Foundation due to the ongoing impact of the Covid-19 pandemic. The UK remained in lockdown until March, and museums were ordered to remain closed until 17th May. As a consequence visitor numbers remained well below those the Foundation achieved in previous years, together with public anxieties around visiting once sites had reopened.

The Foundation continued to work with its partners to ensure the public and staff were kept safe, and it continued its programme of online events and exhibitions to ensure that the Collection was still available to the public during this time.

This report details the Foundation's activities against objectives set for 2021 and in the 2021–2024 Forward Plan. These responded to the immediate need for action, and activity which would enable a recovery from the impact of the Covid-19 pandemic and to ensure future resilience.

Staff and Trustees met the Foundation's charitable objects in full in 2021. The Foundation established its own formal museum space in Cannon Hall Barnsley, and achieved 'Working Towards Accreditation' status with Arts Council England as the first stage of the full accreditation process. Reaching this national standard for museum best practice supports the Foundation's care and preservation of the De Morgan Collection for public benefit.

INTRODUCTION

The De Morgans

William and Evelyn De Morgan believed that art had the potential to transform lives for the better.

William (1839-1917) reacted to the industrial revolution of mass production with hand-painted stained glass and ceramics. The son of a mathematician father and social reform campaigner mother, William was raised in a liberal household which instilled socialist ideals in him from a young age. As an adult, he would campaign for a better world. He was a vocal supporter of women's suffrage, writing regular features in the 20th century publication *Votes for Women*. When the Men's League for Women's Suffrage was established, William joined immediately, becoming the vice-president in 1914.

Evelyn (1855-1919) believed in the power of painting to communicate her moral messages. Grim reapers and angels haunt her early and mid-career paintings which realise her Spiritualist views. The First World War deeply affected her and she began to adapt her painting style to include a symbolic visual lexicon of motifs which expressed her desire for war to bring about eventual peace. Rainbows stream through her skies as anguished figures reach towards them. Her hope for better days was shared with others in a benefit exhibition she held at her studio in 1916 which raised funds for the Red Cross. Just before her death, Evelyn wrote a will in which she made an express wish that the sale of her pictures should raise funds for St Dunstan's Hospital for Blind Soldiers (now Blind Veterans UK), showing that she wished to use her art to benefit others beyond her own lifetime.

The De Morgan Collection

Wilhelmina Stirling (1865-1965) was Evelyn's youngest sibling. A fervent author of non-fiction with a fierce pride in her family history, she published books on Coke of Norfolk and the Spencer Stanhopes, her family's ancestry, and on her more bohemian relatives John Roddam Spencer Stanhope and William and Evelyn De Morgan. Preserving their memories and inspiring the same great joy in others which she found in their artwork were Wilhelmina's greatest passions.

Mrs Stirling was given a number of artworks by Spencer Stanhope and William and Evelyn De Morgan, sparking her enthusiasm for collecting family artworks which lasted well into the 20th century. She purchased Evelyn De Morgan paintings when they came up at auction and was gifted many ceramics and tiles by William De Morgan. Her relentless collecting forced her and her husband to relocate in 1931 to Old Battersea House, a Georgian mansion in South West London. Here, she lived amongst the artworks until her death in 1965, working tirelessly to establish a charitable trust to care for the artworks in perpetuity.

DE MORGAN FOUNDATION

Trustee's Report and Financial Statements for the year ended 31st December 2021

De Morgan Today

Today, the De Morgan Collection is owned and cared for by the De Morgan Foundation, an independent charity with its sole Trustee, The De Morgan Trustee Company Limited, which has six volunteer Non-Executive Directors.

The Collection includes 58 oil paintings by Evelyn De Morgan, ranging in scale from the domestic and intimate to extremely large, imposing canvases, along with over 600 works on paper, which vary from compositional sketches and life drawings to highly finished pastel studies of her oil paintings. John Roddam Spencer Stanhope is also represented with an early oil on panel painting and a number of drawings and sketches.

The Collection also includes over 700 ceramics by William De Morgan, including 50 tile panels and 420 individual tiles, and 260 plates, chargers, vases, bottles, and bowls. Rare oil paintings, early drawings from the antique and designs for stained glass by William De Morgan are also represented in the collection.

In addition, the Collection includes a small archive of material, including letters, drawings, plays, personal effects and family documents relating to William and Evelyn De Morgan and their families.

The Collection is made available to the public at the De Morgan Museum at Cannon Hall in Barnsley. The Foundation also has two long-term strategic partnerships, with the Watts Gallery – Artists' Village in Guildford, and Wightwick Manor in Wolverhampton, where it runs exhibitions. In addition, it has long-term loans of artworks at the Ashmolean Museum in Oxford, the Queen's House in Greenwich, and Buckler's Hard Maritime Museum in Beaulieu Hampshire.

The Foundation also lends artworks to third-party exhibitions, and curates exhibitions for hire, two of which were on display in 2021, *Artist of Hope* at Towneley Hall, Burnley, and *Sublime Symmetry* at Lady Lever Art Gallery, Wirral. The Foundation also makes its collection available online, through its own website and digital art platforms such as Google Arts & Culture and Art UK, ensuring the widest possible public audience can enjoy the artworks.

OBJECTIVES AND ACTIVITIES

The De Morgan Foundation was established as the custodian of artwork and associated materials formed on the death of Mrs Wilhelmina Stirling, sister of Evelyn De Morgan, at her bequest. The organisation was formally registered as Charity No. 310004 in 1970, with the following charitable objects:

- (a) the provision and maintenance of a collection accessible to the public of paintings, ceramics and other works of art and, in particular, of works of art made by William De Morgan and his associates, paintings by Evelyn De Morgan, and works belonging to the Foundation; and
- (b) the promotion of the appreciation of the arts and of education in the arts and allied subjects.

Today, the Foundation continues these aims, caring for the De Morgan Collection, offering public access to the artworks, providing information about and interpretation of the Collection on many levels, and promoting the appreciation of and education in art.

In setting objectives and planning for activities, the Foundation gives due regard to general guidance published by the Charity Commission relating to public benefit. In particular, the advancement of the arts, culture, and heritage.

De Morgan seeks to deliver a beneficial set of wellbeing, social, educational, and economic impacts as the outcomes of its work. Specifically:

- ensuring the collection is accessible through exhibitions and a varied programme of events, delivered in museums and online;
- helping people learn about and enjoy cultural heritage through exhibitions, education, talks and tours;
- contributing to the educational development of children via school visits, family visits, and specific content including downloadable lesson plans;
- enriching and diversifying the leisure and cultural offer in the area in which it operates and in that of partner venues, attracting visitors to venues, boosting the local economy.

Although many of its public displays had to remain closed in the first half of 2021, the Foundation ensured access to the Collection was possible through an online programme of exhibitions and events. In order to ensure the widest possible access to the Collection once museums were allowed to open, the Foundation mounted two temporary exhibitions in the North West, in addition to its long-term displays.

Key Objectives 2021

The key objectives for 2021 were set at the height of the pandemic. The rationale behind them was to ensure capacity was available for immediate response to the ongoing uncertainty and impact of Covid-19, but also to ensure the Foundation became a more resilient organisation which could withstand further disruption or future uncertainties.

In order to manage these objectives, the Foundation established specific workstream sub-committees to plan, manage and deliver the objectives, viz. Accreditation, De Morgan Museum Development at Cannon Hall, and Diversifying Revenue. Each sub-committee has at least two Trustee Director members together with the Director of the De Morgan Museum, and reports to the full Board.

- **Achieve Arts Council England 'Working Towards Accreditation' status with the De Morgan Museum at Cannon Hall, by end of 2021**

After consultation with its charity lawyers and with local Accreditation Officers in Yorkshire, the Foundation updated its charitable scheme, as registered with the Charity Commission, and wrote its Forward Plan in July 2021.

In addition, the museum space and office at Cannon Hall were licenced to the Foundation by agreement with Barnsley Metropolitan Borough Council which owns the building. These core documents were required for the application to Arts Council England (ACE) for Working Towards Accreditation status, which was granted to the Foundation on 21st September 2021.

The Foundation formally established its headquarters at Cannon Hall, moving the office from rented space at Watts Gallery to dedicated office space at Cannon Hall.

- **Create and implement a project plan, and apply to achieve full ACE Museum Accreditation within the three-year Accreditation window.**

The Foundation already works to Museum Accreditation standards and is working to formalise and capture this in its Forward Plan and policies in order to achieve full Accredited Museum status. To achieve this, the Foundation has set the three-year objective in its forward plan to achieve Museum Accreditation, which has been embedded into its work plans.

The processes for the maintenance and care of the Collection were reviewed and updated to ensure it met the ACE Accreditation and Spectrum standards in 2021. New policy and procedure for the care of the Collection was drafted in preparation for the Foundation's full Accreditation submission.

- **Create a proposal and implementation plan for the redisplay and redecoration of the Cannon Hall galleries, to present them as the De Morgan Museum.**

The Foundation's Trustee Directors and staff held strategy sessions to agree on high-level requirements for its museum, including meeting the Head of Service for Culture at Barnsley Metropolitan Council. Feedback from these sessions has been embedded into a draft brief for the redevelopment of the museum, once funds are secured.

Small scale trial changes will be implemented to test suitability and visitor reaction prior to any major redevelopment over the next few years.

- **Develop a plan to further diversify revenue streams to ensure ongoing financial and operational stability and resilience.**

The Board agreed a proposal that identified image licencing as a viable source of income to be investigated. A consultant was engaged using a grant from Museum Development Yorkshire to draft a business case for licencing De Morgan images for retail.

The Directors agreed to proceed with one company to licence images for the creation of a line of jewellery, fabrics, and wallpapers, in order to assess the long term viability of licensing.

ACHIEVEMENTS AND PERFORMANCE

The De Morgan Museum

Cannon Hall, Barnsley, was a special place for the Spencer Stanhope family - from whom Evelyn De Morgan descends - who lived there before it became a museum in the 1950s. Since 2016 the Foundation has worked in partnership with Cannon Hall to celebrate its artistic history by displaying its collection of art by William De Morgan, his wife Evelyn, and her uncle, John Roddam Spencer Stanhope, at Cannon Hall.

In 2021 the Foundation formally established its own museum at Cannon Hall, the De Morgan Museum. In September 2021, the Foundation achieved 'Working Towards Accreditation' status from Arts Council England (ACE) for the De Morgan Museum. The Foundation liaised closely with the Charities Commission and ACE to ensure that its governance structure and charitable scheme were appropriate and which gave the Foundation the explicit power to run a museum.

Barnsley Metropolitan Council was also a key partner in the Foundation achieving this status by co-signing a partnership agreement outlining the practical arrangements for the Foundation's museum and a licence to occupy specific space at Cannon Hall in order to meet ACE's requirements and be officially recognised as a museum.

Achieving full Accreditation status by 2023 is now a key aim for the Foundation, as this will secure the Foundation's reputation for best practice in the sector and provide the opportunity to apply for additional funding. To this end, the Foundation benefitted from a small grant from Museum Development Yorkshire in 2021, to enable it to engage a consultant to write a business case for licencing its images for retail, to ensure future resilience of the organisation.

Audience Development at the De Morgan Museum

Whilst the Foundation has a strong understanding of its online audiences, it has little data on those who visit its museum at Cannon Hall. In order to address this, the Foundation has partnered with the Audience Agency and will collect data over the coming years to understand who visits and what their motivations are for doing so.

In its forward plan for 2021-2024, the Foundation outlined its intent to create an inclusive museum offer which would attract a diverse audience to its museum, and as part of the Foundation's objective in 2021 for the redisplay of the De Morgan Museum, it plans for an audience-focussed redevelopment of its museum offer. To this end, a sub-committee of staff and Trustee Directors was constituted, and an audience focus group was established of 25 members from the local area with a broad range of backgrounds and with various interests, such as volunteering, finding family activities, and local history enthusiasts.

The feedback from the focus group sessions will inform the Foundation's audience development plan and future displays at the De Morgan Museum.

The focus groups identified families as a key group to attract; a large number of families already visit Cannon Hall Park and Gardens, but often bypass the Museum. It was also suggested that the themed display at the De Morgan Museum, *'A Family of Artist's'*, which highlights the links between local artist John Roddam Spencer Stanhope and his artist nieces, allows younger visitors to engage with the artworks by thinking about their own family.

From the initial focus group sessions, and input from Trustee Board strategy sessions, it was proposed that key audiences for the Foundation to develop should be:

- Families who visit the farm and park
- Local people who might not consider themselves 'arty' (currently 60% visitors to Cannon Hall are from outside the Barnsley area)
- Refugees supported by the local charity 'Barnsley Feels Like Home'
- Those in formal education at Cawthorne School and Barnsley College Fine Art Course

In order to ensure the displays at the De Morgan Museum meet the needs of these audiences, a thematic approach to the curation was proposed, with a focus on:

- Monster trails and connection with the new kiln classroom in the parkland
- Evelyn De Morgan as a strong, independent feminist and John Roddam Spencer Stanhope as a Barnsley lad
- Themes of displacement
- Myths and legends
- William De Morgan as a maker
- Improving the offer for local people to volunteer will also be addressed

The Foundation worked with colleagues at Cannon Hall in 2021 to bring aspects of the De Morgan Collection into the park and entice families inside. A monster trail was created in the woodland, featuring environmentally friendly wicker dragons and unicorns inspired by William De Morgan's animal designs, and a wooden mobile now frames an impressive view of the museum as visitors approach. Once inside, families can enjoy interactive activities such as a light up musical chest, dressing up, and castle building blocks have already been added.

In December, 50 family participants supported by 'Barnsley Feels Like Home' attended a Christmas activity day at Cannon Hall. They enjoyed making sweets, visiting the monster trail, and looking at the De Morgan artworks.

Woodland Walk Monster Trail
Cannon Hall Park and Gardens, 2021

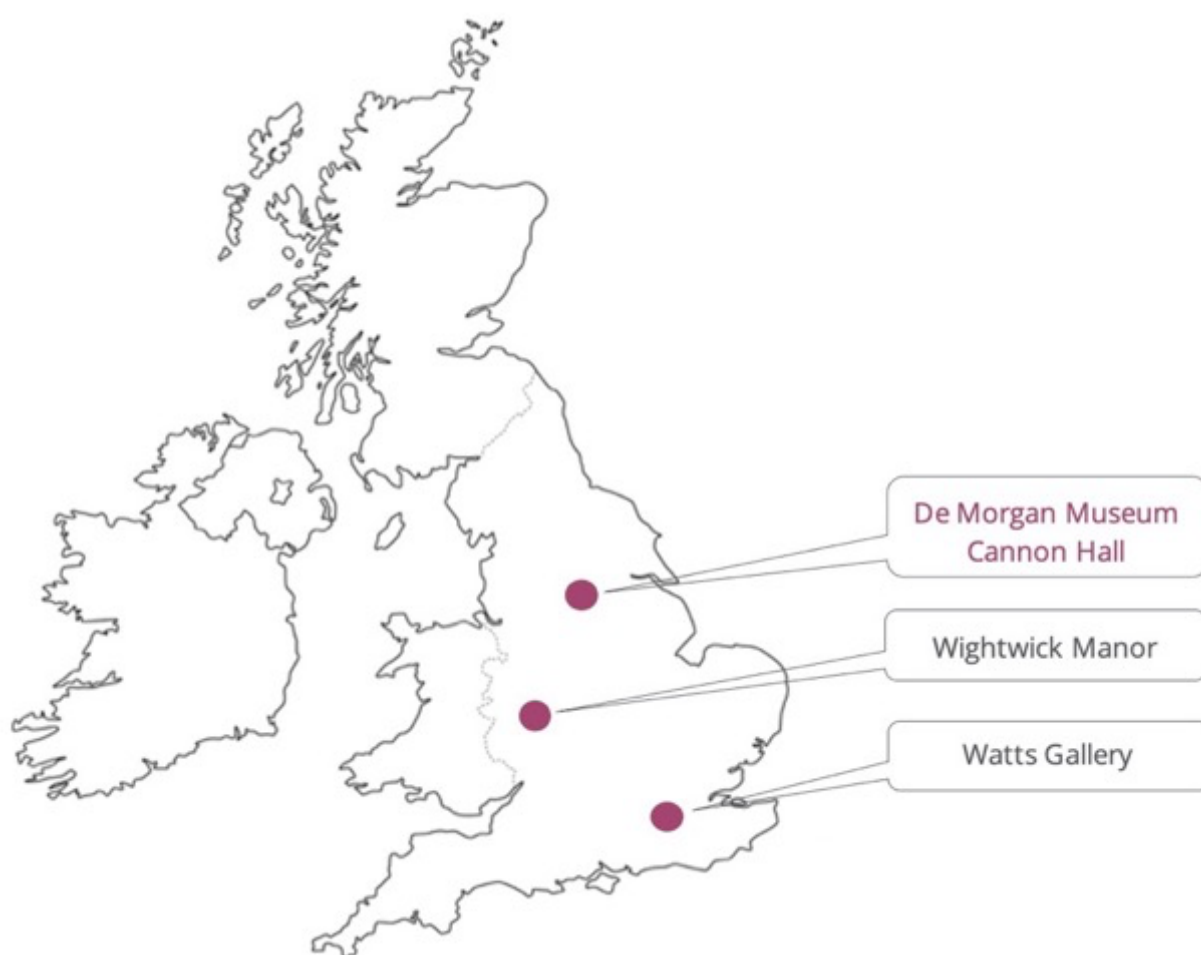




Partnerships

The Foundation works in partnership with complementary organisations in key locations across the country allowing the Foundation to share the Collection with the public as widely as possible. Each partnership was established to share the collection in areas where it had local significance and would add to the heritage offer in the area.

As well as its own Museum at Barnsley, since 2015 the Foundation has partnered with Watts Gallery Artists' Village, Guildford, Surrey, and Wightwick Manor, Wolverhampton, West Midlands, to display its Collection to the public in discrete exhibitions, carefully curated to highlight the local significance of the Collection.



In 2021 The Foundation worked closely with its partners to ensure the safety of the Collection during the closures, the safety of visitors, staff, and volunteers returning to the museums following periods of closure, and to ensure continuity of access to the Collection through online alternatives to in-person visits.

The Watts Gallery - Artists' Village

Completed in 1904, the Watts Gallery was the first in the country dedicated to a single artist, G F Watts. Watts was a painter who believed that his art could have a transformative influence on the individual and society and it was probably this shared interest with Evelyn De Morgan which brought the artists together as friends.

Their respective spouses – both potters – also shared ideals, namely their feminism and their dedication to creating handcrafted artworks in rejection of industrialisation. To celebrate these historic partnerships between the artists, the Foundation has displayed its collection in a discrete gallery since 2015.

Engaging with communities at the Watts Gallery is central to the aims of the partnership, as ensuring 'art for all' was a founding principal of the Watts' and the De Morgans' practice. Using video conferencing, the Foundation was able to engage with a number of communities local to the Watts Gallery during the 2021 lockdowns.

Woking Women's Support Group and HALOW, a local Guildford-based group which supports adults with learning disabilities, worked with the Foundation to revisit Evelyn De Morgan's spiritualist and feminist paintings and to interpret them from a contemporary perspective.

The insights gleaned from discussing the pictures together in detail in the sessions, parallel to collective lived experiences, has brought the paintings to life. These insights are now shared with visitors on text panels and labels in the De Morgan exhibition at Watts Gallery.

Recognising that not everyone is able to travel to the Watts Gallery or have the means to engage digitally, the Foundation developed art packs which were sent into the community. Working with HMP Send and Bronzefield, women's prisons close to the Watts Gallery, the Foundation was able to supply images and information about some of Evelyn De Morgan's paintings and collect the prisoner's artistic responses.

Through its partnership with Watts Gallery – Artists' Village, the Foundation has been able to make contact with community groups to promote its artwork and exhibition in the local area.

Wightwick Manor

A superb Aesthetic Movement home on the outskirts of Wolverhampton, Wightwick Manor exemplifies the ideal of 'Art for Art's Sake' which Victorian aesthetes lived by. Sumptuous interiors boast De Morgan tiles and ceramics in situ, how they were intended to be enjoyed.

Adjacent to this 1887 manor house, which is now owned by the National Trust, is a refurbished building housing the De Morgan Collection exhibition '*Look Beneath the Lustre*', which explains to visitors how William and Evelyn De Morgan made their beautiful artworks.

2021 was a special year for the National Trust, which published its '*125 Treasures* book' in celebration of the Trust turning 125 years old in 2020. This publication highlights the finest examples from the Trust's collection, including six items from Wightwick's collection, one of which is a De Morgan plate.

This highlighted the need to better celebrate the De Morgan items in Wightwick's collection with staff, volunteers and visitors. Training was given to 46 volunteers at Wightwick in September 2021, which included a tour of the Manor and a talk on the De Morgan on display. Following this, volunteers have undertaken their own research to produce a visitor guide on these artworks.

Ensuring continuing reciprocal benefits for staff at De Morgan and the National Trust remains a central element of the strategic partnership at Wightwick Manor. The Foundation's Museum Director enrolled on the National Trust's staff portal in 2021, allowing access to training in welcoming visitors back after the pandemic and creating inclusive spaces for diverse audiences.

In order to expand its local reach and engage with young adults, the Foundation partnered with Wolverhampton College in 2021 to provide the inspiration for their creative course students. Following an initial visit to Wightwick Manor, for their coursework in 2022 the group will develop creative responses to the artworks.

Public Access to the De Morgan Collection

In addition to its own museum and its strategic partnerships, to provide further public access to the artworks and raise the profile of the Collection, the Foundation makes loans of artworks to other cultural institutions as long-term (up to three years) loans in displays co-curated by the Foundation, through short-term exhibition packages curated by the Foundation and hired by venues, or through short-term loans of a small number of objects to externally curated and organised exhibitions.

In 2021, two long-term loans came to an end, at Jackfield Tile Museum in Shropshire and at Standen House in West Sussex.

The ongoing effects of the pandemic were felt in the Foundation's programme of short-term loans to externally curated exhibitions. Pre-pandemic, the Foundation would usually support at least one international and one UK loan of this type, but no requests were made to borrow in 2021 due to ongoing travel and other restrictions. This, plus the five months of statutory museum closures in the UK, has impacted the Foundation's visitor numbers.

Combined visitor figures for 2021 *

Cannon Hall, Barnsley	18,800
Watts Gallery Artist's Village, Guildford	19,400
Wightwick Manor, Wolverhampton	43,000
Ashmolean Museum, Oxford	108,100
Queen's House, Greenwich, London	72,900
Buckler's Hard Maritime Museum, Beaulieu, Hampshire	64,600
Artist of Hope, Towneley Hall, Burnley	20,300
Sublime Symmetry, Lady Lever Art Gallery, Port Sunlight, Wirral	14,300
2021 Total	361,400
2020 Total	770,450
2019	1,900,000
2018	1,528,500

* visitor figures rounded up or down for clarity

UK venues offering public access to the De Morgan Collection in 2021

To meet its objective to offer public access to the Collection as widely as possible across the UK, the Foundation shared objects from the Collection at the following venues in 2021.

- 1 De Morgan Museum, Cannon Hall, Barnsley
- 2 Wightwick Manor, Wolverhampton
- 3 Watts Gallery Artist's Village, Guildford
- 4 The Ashmolean Museum, Oxford
- 5 The Queen's House, Greenwich, London
- 6 Buckler's Hard Maritime Museum, Beaulieu, Hampshire
- 7 Lady Lever Art Gallery, Port Sunlight, Wirral
- 8 Towneley Hall, Burnley, Lancashire



Population density map showing potential visitor catchment spread for comparison



Long-term Loans

Lending individual artworks to other museums and heritage organisations, many of which offer free entry to visitors, is another key part of the Foundation's strategy to provide public access to the Collection, and fulfils a number of the Foundation's aims including:

- giving new audiences the opportunity to see the artworks;
- seeing the artwork in a new context;
- raising the profile of the Foundation and its Collection;
- strengthening partnerships;
- supporting fellow museums; and
- decreasing the number of objects in storage and reducing the associated costs.

The loans from the De Morgan Collection to venues across the country not only serve to raise the profile of the Foundation but also contribute to visitor satisfaction, visitor growth and income generation at the loan venues. Moreover, cultural tourism also has a wider economic impact.

In 2021 the Foundation loaned artworks for public display at the following institutions.

The Ashmolean Museum, Oxford

A collaboration with the Ashmolean Museum continues, with the long-term loan of 32 key pieces of ceramics from the De Morgan Collection, displayed in the 19th century galleries in the Museum.

The Queen's House, Greenwich, London

Evelyn De Morgan's painting 'The Sea Maidens', together with sea-themed ceramics by William De Morgan, are on long-term loan to the Queen's House.

Buckler's Hard Maritime Museum, Hampshire

One William De Morgan tile is on long-term loan to the museum for the SS Persia exhibition.

De Morgan Temporary Exhibitions

Temporary exhibitions allow the Foundation to present unique research on particular aspects of the De Morgans' practice to the public, inviting deeper engagement with the artworks. These turn-key exhibitions are fully curated by the De Morgan Foundation and available for hire, which allows the Foundation to generate income to support its operations.

As museums were allowed to reopen to the public in May 2021, the Foundation ensured that postponed exhibitions were able to open safely at two third-party venues in the North West of England, expanding the visibility and availability of the artworks in this region.

'Sublime Symmetry'

Lady Lever Art Gallery, Port Sunlight, Wirral, October 2021 to January 2022

This exhibition of around 70 ceramics by William De Morgan exemplifies his use of mathematical principals and his extensive manipulation of geometry in creating his designs, based on new research by the Foundation in 2015. The exhibition was supported by family and educational activities, and a free downloadable teachers' education pack.

This is a successful touring exhibition for the Foundation. It opened at the Lady Lever Art Gallery in October 2021, its seventh venue. The Foundation aimed to attract 8,000 visitors to the exhibition which closed in January 2022. It attracted over 14,000 visitors in total.

'Artist of Hope'

Towneley Hall, Burnley, Lancashire, July 2021 to June 2022

The exhibition at Towneley Hall, displays 43 of Evelyn De Morgan's symbolic First World War paintings and drawings, alongside responses from those affected by conflict or the global coronavirus pandemic. East Lancashire was an area of the country hit hardest by the pandemic, and the Foundation worked closely with community groups and partner charities to develop and display the exhibition, which was community-curated by invited groups of local NHS staff, Syrian refugees, young carers, and Second World War veterans to reinterpret Evelyn De Morgan's First World War paintings to represent their experiences of contemporary conflict and hardship.

Hope was a theme that emerged and this exhibition captures the enduring relevance of the collection. Focusing on powerful stories and themes in the paintings, rather than taking a traditional art historical approach to the exhibition, opened the Collection up to new audiences and allowed for the provision of an Arabic audio guide for the exhibition. This practice will be embedded into the Foundation's future work with audience development.

The Foundation aimed to attract 20,000 visitors to the exhibition before it closes in June 2022, and it had attracted over 20,000 by the end of 2021.

'Sublime Symmetry' Exhibition

Lady Lever Art Gallery, Port Sunlight, Wirral, October 2021 to January 2022



'Sublime Symmetry' Exhibition

Lady Lever Art Gallery, Port Sunlight, Wirral, October 2021 to January 2022





Outreach and Community Engagement

In working towards its charitable object to provide public access to the collection, in 2021 the Foundation aimed to remove barriers to access at its exhibition 'Artist of Hope' held at Towneley Hall in Burnley. It sought to do this by working with at least three community groups who don't normally engage with the Foundation to co-curate the exhibition, by ensuring the exhibition was accessible to visitors with sight loss, and that the exhibition was made available to non-English speakers in the groups. The Foundation also wanted to ensure that the groups enjoyed the project and felt valued, and that this would encourage them to keep in touch and re-visit the Foundation in the future. The Foundation worked with five community groups and charities to provide engagement opportunities to those who do not usually participate in museum activities or with De Morgan artworks.

- 83% Had never heard of De Morgan or been to an art gallery before*
- 50% Didn't speak English as a first language*
- 100% Enjoyed looking at the art and learning about De Morgan*
- 50% Now follow De Morgan on Social Media*
- 83% Strongly agreed they felt more confident to visit a museum after the sessions*

Artist of Hope, an exhibition of Evelyn De Morgan's First World War paintings was co-curated by the community groups who reinterpreted the symbolic paintings to share their own experiences of war, conflict, or being on the front line during the pandemic.

The Foundation is grateful to the following charities who worked on this exhibition.



Formerly known as St Dunstan's, this charity was set up in the early 20th century to support servicemen who had lost their sight. The charity was known to Evelyn De Morgan who acknowledged it in her will. Partnering with BVUK on the exhibition enabled the Foundation to bring the artworks to WWII Veterans in in-depth conversations held over Zoom. Their experiences of war were then embedded into the exhibition interpretation to give visitors a meaningful connection to their past and the key to decipher De Morgan's symbolic war paintings. In addition, BVUK provided guidance for the exhibition layout and printed materials to ensure they were as legible as possible for visitors with sight loss, and assisted with the development of an audio guide.

Young Carers are children who act as the primary caregiver to their parents or guardians. These unsung heroes provide round-the-clock care on top of their schoolwork and so the pandemic was particularly difficult for them, with little or no respite from the demands of lockdown. The Foundation provided such opportunity, sending packs of postcards to families and providing online activities. Together, the Foundation and a group of young carers supported by CANW created an activity pack for family visitors to the exhibition.



Working on the front line through a global pandemic resonated with the symbolism of Evelyn De Morgan's First World War paintings for NHS staff. Through online sessions with the Foundation, they were able to share their experiences of the pandemic. Many of these stories were included in the publication which accompanies the exhibition.

“It was good to be asked about my reflections of the paintings in conjunction with the current moment, and how my experiences influenced how I felt. Also I hope I helped others who listened.”

Many of Evelyn De Morgan's paintings deal with bereavement and grief, so displaying the paintings in the exhibition during a global pandemic in one of the worst affected areas in the country was a concern. The Foundation set up a partnership with Cruse Bereavement Care to offer support to visitors to the exhibition with this sensitive content. Contact details for this charity are displayed alongside the paintings and in all printed material to ensure that visitors were signposted appropriately to help with bereavement should they need it.



Lancashire County Council supports refugee families in the area, several of whom participated in the exhibition narrative. This group bravely shared their stories of living through contemporary conflict in order to bring Evelyn De Morgan's paintings to life. In order that other Syrian families living in the area could enjoy the exhibition, this group kindly translated the exhibition text into Arabic for a digital guide. This has been used 270 times to date, demonstrating that communities do engage with art collections if they perceive it is for them.

Education

The Foundation offers students opportunities to learn from the De Morgan Collection either at partner galleries or through the loan boxes of handling objects available for sessions at school or college. The ongoing effects of Covid-19 particularly impacted the Foundation's formal learning offer in 2021, as schools and colleges were more reluctant to return to museum visits with restrictions in place.

At the Watts Gallery – Artists' Village, the formal learning programme for schools based on the De Morgan Collection was able to continue during the summer term, and from September to December 2021, this attracted 169 pupils from 7 schools.



Research

In 2021 Emma Merkling achieved her PhD from the Courtauld Institute of Art. Her thesis focused on the spiritualist art and automatic writings of Evelyn De Morgan (1855–1919) in relation to late-nineteenth- and early-twentieth-century physics, mathematics, psychology, philosophy of science, and psychical research. She now holds the position of Associate Lecturer and Terra Foundation Postdoctoral Fellow at the Centre for American Art, including Evelyn De Morgan as a key figure in her research and teaching.

The Foundation welcomed four students to the De Morgan archive to undertake research into the lives and works of William and Evelyn De Morgan in 2021. Ranging from MA to doctoral levels, these researchers found their visits invaluable to their research. Two of these students have prepared papers to deliver as lectures to De Morgan audiences, contributing to the popular programme of online lectures.

Research has been undertaken by a number of scholars on various aspects of the De Morgans' life and artistic practice for a forthcoming Yale University Press publication due in 2022. This will be the first major scholarly publication on the De Morgans in over a decade and is welcomed by the Trustee Board.

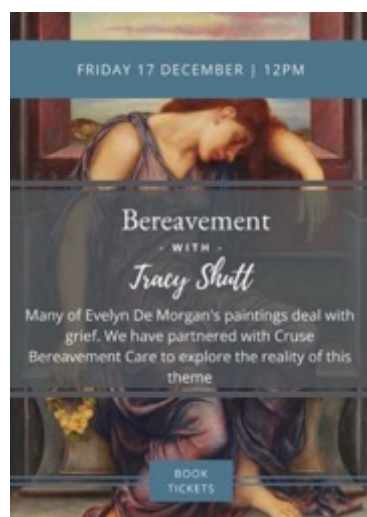
Public Programme

Due to the ongoing public demand, the Foundation continued its programme of online talks and lectures throughout 2021. The programme comprised talks delivered by the Foundation's Museum Director and by guest speakers with a specialism in Victorian art and culture.

Highlights included the Museum Director's talk on the symbolism of fruit and vegetables in De Morgan's paintings, and her special talk on De Morgan's Dragons to celebrate St George's Day. Notable guests were the National Gallery's Dr Caroline Campbell who spoke on the Renaissance and Springtime, and author Alastair Carew-Cox and Director of the Stained Glass Museum Jasmine Allen for the book launch of 'Saints and Symbols: Pre-Raphaelite Stained Glass'.

These weekly talks welcomed 1,745 guests over the year, raising much needed revenue for the Foundation. The most popular talks were those held during the winter lockdown in January 2021, where an average of 148 people attended each talk.

A number of free talks were held by the Foundation to respond to the changing needs of its audience over a challenging year. With North Tyneside Artist Studios, the Foundation hosted 'De Morgan for Better Mental Health', a practical session which encouraged guests to draw in order to focus the mind away from the stress of everyday life. An online exhibition of work from participants was created and can be viewed on the Foundation's website.



As Christmas approached, the Foundation recognised that for many this could be a particularly difficult time, for those who have lost loved ones to Covid-19, or during the pandemic with restrictions on funeral attendance.

Tracy Shutt, Regional Director of Cruse Bereavement Support in the North of England, joined the Foundation's Museum Director to deliver a talk on Evelyn De Morgan's depictions of grief and to tell the Foundation's audiences more about Cruse services. This session was well attended and many in the audience were able to share their stories and experiences in a safe space.

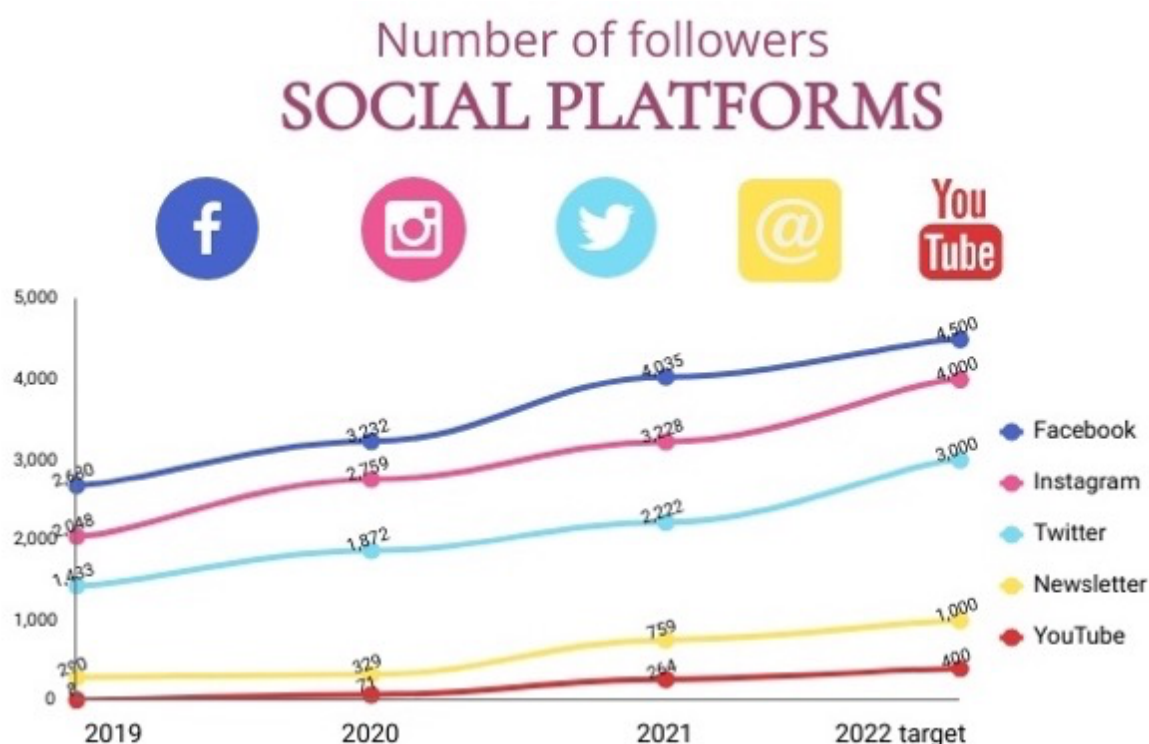
“This is the first time I have been able to speak about my mother’s death. Evelyn De Morgan’s paintings have helped me to think of her in a better place and I feel as though I can get my life back and find happiness again. Thank you Sarah and Tracy”

Audience Development

Covid-19 has had a huge impact on how the Foundation interacts with its audiences, much of its engagement having been online in 2021 due to Government closures of museums until 17th May. Whilst the Foundation has a strong understanding of its online audiences, it has little to no data on those who visit its museum or its partner sites. To address this, the Foundation has partnered with the Audience Agency and will collect data over the coming years to understand who visits and what are their motivations for doing so.

Online Audiences

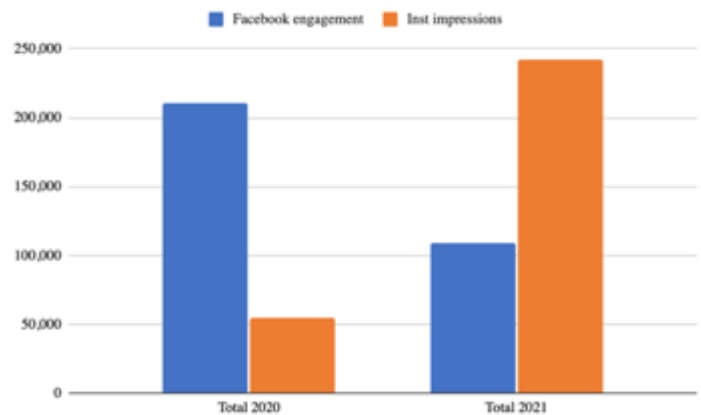
The Foundation reaches audiences across the globe through its online offer. There was a significant increase in the number of subscribers to the YouTube channel in 2021 due to the regular posting of video lectures which were viewed 12,000 times.



The impact and engagement of the social media programme extends beyond its followers. The highest performing Tweet reached 9,000 people. Tweets which gained the most engagement typically involved tagging other accounts, in particular taking part in Art UK's weekly #onlineartexchange generated on average around 42% more engagement than other Tweets.

Facebook posts which gained the most impressions typically contained an image of an artwork, at least one #hashtag and a link to another organisation, YouTube video, or website.

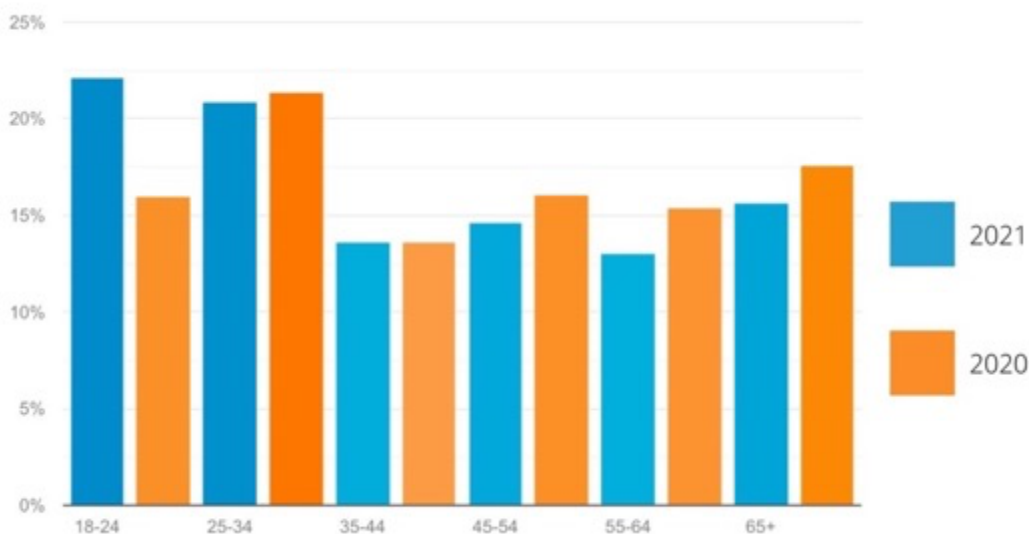
Reach on Instagram was the highest on any social platform in 2021, reaching 233,048 accounts and presenting a shift from Facebook in the most engaged of the Foundation's social platform audiences in previous years.



The Foundation's newsletter is sent to 700 people every two months, containing updates on exhibitions and events, and links to third-party exhibitions, books, podcasts, and artworks which may be of interest to the De Morgan audience. These newsletters have consistently outperformed sector comparators in terms of how many recipients open them and engage by clicking links.

A key objective of the Foundation's digital communications in 2021 was to attract a younger audience online. This is in order to target families and those in formal education to visit the De Morgan Museum at Cannon Hall, and in order to create interest amongst those who may become supporters of the Foundation to support its work in the future.

Through specific marketing campaigns and online activities aimed at younger people, there was a 7% increase in 18-24 year olds in the online audience in 2021 compared with 2020, demonstrating that the Foundation's website audience is getting younger.



Collections Online

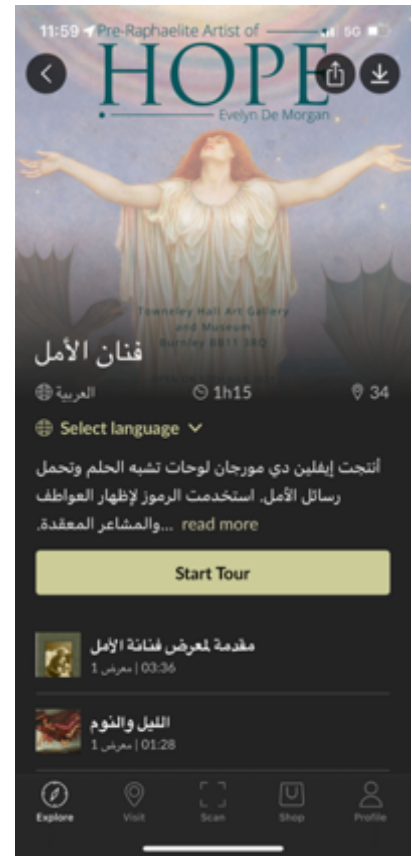
Smartify App

Smartify is a digital platform which provides an audio and video guide to an exhibition that can be enjoyed at home, or in the exhibition on a smart phone.

The Foundation engaged Smartify to produce an audio guide of the exhibition 'Artist of Hope' at Towneley Hall, Burnley, to serve as a tool for those with visual impairments to enjoy the exhibition. This can be used at home and in the gallery, and so suited exhibition partners Blind Veterans UK, as many of their members are elderly and struggle to make in-person visits.

The tour has been used by 1,251 individuals since it was launched. An additional feature of Smartify is that tours can be created in difference languages.

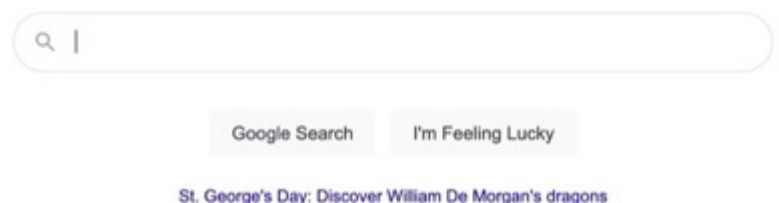
Making the tour available in Arabic allowed the Foundation to meet its objective to work with Syrian refugees living locally and to actively encourage Syrian families to participate in the exhibition. Through a programme of outreach and work with the local liaison links in Lancashire, the app has been used in Arabic 174 times.



Google Arts and Culture

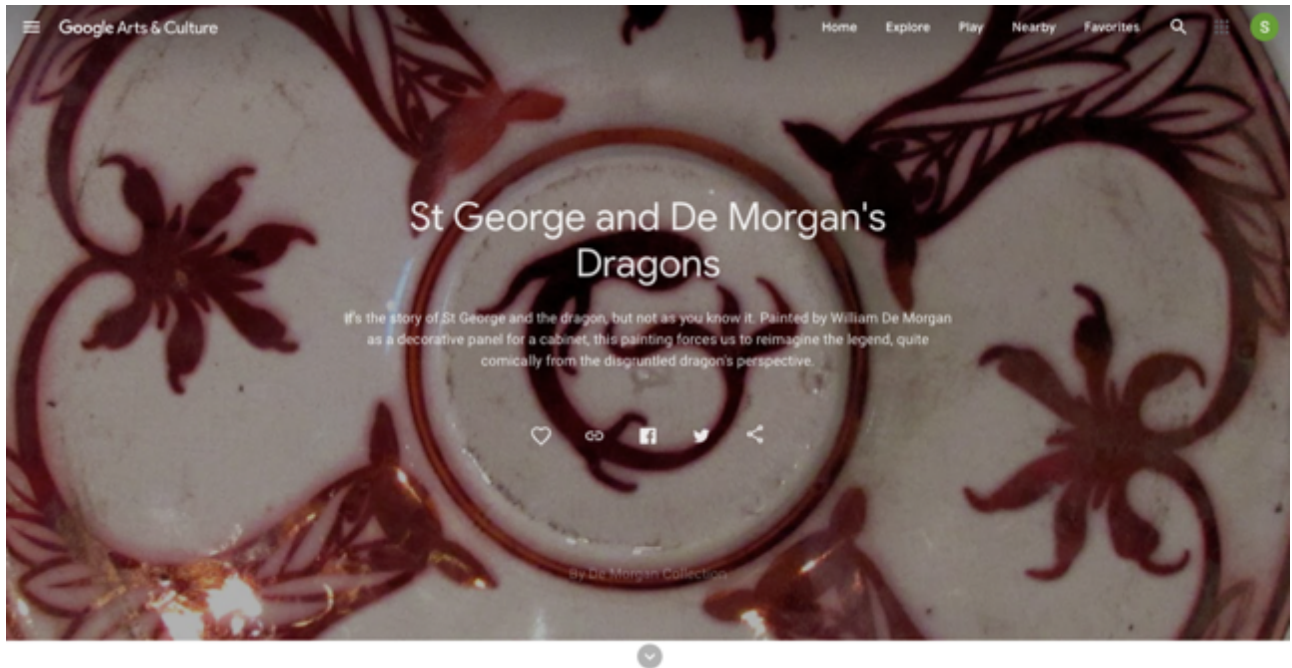
The Foundation is a partner with Google Arts and Culture in order to bring the Collection to the widest possible international audience.

St George's Day 2021 was highlighted by Google with a St George and the Dragon 'Google Doodle'. When users click the Google icon on the search engine's home page, they were directed to further information.



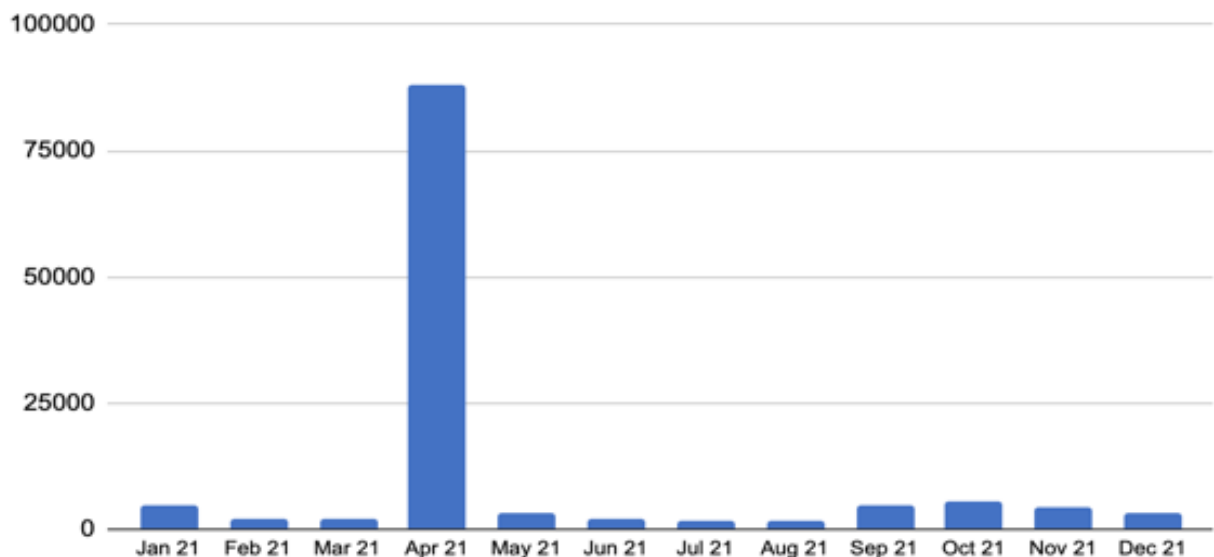
DE MORGAN FOUNDATION

Trustee's Report and Financial Statements for the year ended 31st December 2021



The Foundation was featured in this Doodle as a hyperlink under the search box which directed users to an online story about William De Morgan's dragons. This led to a huge surge in the number of users to the Foundation's Google Arts and Culture page in April 2021.

Visits to De Morgan Foundation on Google Arts and Culture by Month



DE MORGAN FOUNDATION

Trustee's Report and Financial Statements for the year ended 31st December 2021

Art UK

Art UK is the national database for oil paintings in public collections. The Foundation joined Art UK in 2020, making its collection of Evelyn De Morgan paintings available alongside those in other UK collections. The collection was accessed by 4,101 unique users on Art UK in 2021, an increase of 700 from the previous year.

In addition to making the collection available to the widest possible public, partnering with Art UK has provided the Foundation with a number of marketing opportunities in 2021, which have helped to grow its own audience.

In January, Art UK partnered with the Guardian to introduce readers to UK collections which they may never have heard of.

The Foundation was invited to write an article on its forthcoming exhibition 'Artist of Hope' with particular focus on 'Lux in Tenebris', a painting by Evelyn De Morgan which looks for light coming from the darkness. The number of visitors to the Foundation's website tripled from the monthly average on 20th January when the article was released.

In 2021, the Foundation has regularly participated in the weekly #OnlineArtExchange run by Art UK on Twitter. Partner organisations are encouraged to share artworks for other collections on a weekly theme. One of the Foundation's most successful Tweets was the sharing of a portrait of Pre-Raphaelite artist Dante Gabriel Rossetti from Birmingham Museums and Art Gallery's Collection. Earning 6,500 impressions, this Tweet engaged audiences in conversations about the portrait.



De Morgan Collection @DeMorganF
#powerfulportraiture @artukdotorg

We love this intense portrait of a 22 year old Dante Gabriel Rossetti by his friend and fellow Pre-Raphaelite William Holman Hunt.

It captures the intensity of this artist and looks forward to his future success

<https://www.birminghammuseums.org.uk/expl ore-art/items/1961P33/portrait-of-dante-gabriel-rossetti-at-22-years-of-age ...>

@BM_AG pic.twitter.com/qJopAHJkF

Impressions	6,580
Total engagements	243
Likes	97
Media engagements	50
Detail expands	50
Retweets	17
Link clicks	11
Profile clicks	9
Replies	6
Hashtag clicks	3



Art UK partnered with Bloomberg Philanthropies in 2021 to deliver a series of lectures by Museum Directors on their personal interest in the collections. The Foundation's Museum Director delivered a lecture which was attended by 198 people, engaging new audiences with the Foundation. As a result of the session 158 people signed up the Foundation's newsletter, ensuring an ongoing engagement and legacy to the project.

In addition to aiding the Foundation to meet its charitable object to share the collection with the public through its platform and events, the partnership with Art UK allowed the Foundation to work towards its objective to diversify its revenue streams in 2021. Art UK also hosts a print on demand service for the Foundation, allowing customers to purchase their favourite De Morgan artworks as canvas or framed prints. Art UK's retail partner manages all orders, postage and stock therefore removing this administrative task from the Foundation's staff, whilst providing revenue to the Foundation.



Collections Care

Collections Management

In 2021, The Foundation was granted official 'Working Towards Accreditation' status by Arts Council England. In order to meet the Accreditation Standard, the Foundation must demonstrate its ability to manage and conserve the collection. To this end, The Foundation established a Collections Sub-Committee made up of the curatorial and legal Trustee Directors and the Foundation's Museum Director. In 2021, this sub-committee completed work on the relevant policies, procedural manuals and forward plans for the collection. These capture the working processes currently in place to ensure that the Foundation's Collection is cared for whilst at the De Morgan Museum at Cannon Hall, in its fine art store, on loan at a partner museum, or in an exhibition.

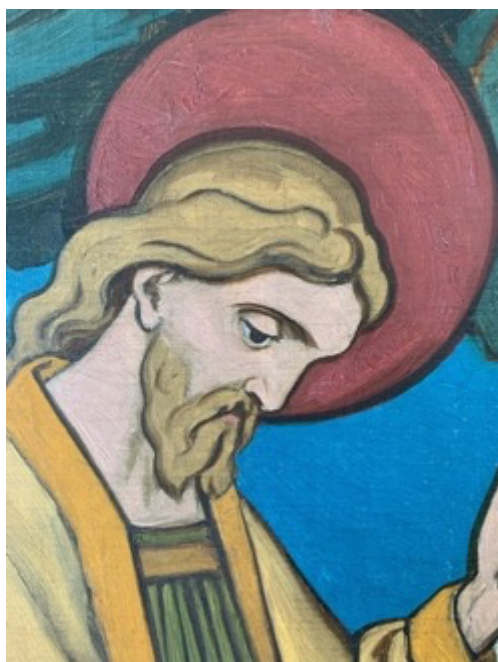
Conservation

A generous grant from the Decorative Arts Society allowed the De Morgan Foundation to conserve a rare William De Morgan oil on canvas cartoon in 2021. The painting depicts the biblical story of the raising of Lazarus and was made as a design for a stained-glass window.

This particular oil painting can be seen as a transition between De Morgan's early career as an artist and his work in stained glass. Although quickly and rather crudely executed, with a view to being worked up into a glass window, De Morgan's control of line and form - particularly in his handling of the draperies - is exemplary and demonstrates his artistic training.

The conservator began working on the cartoon by consolidating flaking and loose paint from some old folds in the canvas. The deep fold line in the bottom left corner was strengthened and the undulating canvas was given a flattening treatment using gentle heat and controlled moisture. The canvas edges were strip-lined to enable the piece to be mounted on a stretcher. The new bespoke stretcher was assembled and a layer of canvas was stretched over the stretcher (known as loose-lining). This auxiliary canvas supports the original canvas. The strip-lined artwork was secured with copper tacks.





The cartoon canvas was then carefully positioned so that the right-hand original tacking edge went around the stretcher edge and there was as little of the strip-lining visible without folding the uneven original primed canvas around the sides. A thick layer of surface dirt was removed. To do this, the conservator used a dry swab of cotton wool, which is slightly dampened with saliva. She took the decision that in order for the large losses not to be eye-catching, filling would be necessary rather than simply toning in the losses.

The large loss which spans the rock, a large loss of priming to the right of Jesus' raised hand, the jagged vertical loss above Jesus' halo and some of the deeper losses along fold lines were filled using chalk and gelatine with a drop of stand oil.

A pre-retouching varnish was not applied as the painting has never been varnished so the original matt appearance was retained. Basecoats over the filled losses were carried out using conservation colours followed by watercolour. The aim was to match the matt finish of the original paint layer as far as possible during retouching, although slight variations in gloss will always be present to some extent.

The conserved oil is on display in the De Morgan exhibition at the Watts Gallery - Artists' Village. Aptly named *'Decoration or Devotion?'*, this exhibition asks visitors to consider whether William De Morgan's artworks were created to be beautiful or for their religious symbolism.



Acquisitions

The Foundation does not have funds to sustain an acquisition budget, and relies on donations and fundraising to acquire objects to add the collection which come on the market and which meet its acquisitions policy parameters. With the generous assistance of a Patron, two William De Morgan sketches were acquired for the De Morgan Collection in 2021.

Probably produced by William De Morgan around the time he was an art student in the late 1850s and early 1860s, these sketches reveal much of his art before ceramics. Originally in a sketchbook, in the 1970s they were cut out and famed by an art dealer to be sold individually, which they were in 1975 by Christie's. These two drawings recently resurfaced on the open market and the Foundation was able to acquire them. Adding them to the De Morgan display '*Look beneath the Lustre*' in the De Morgan Gallery at Wightwick Manor allows a deeper understanding of De Morgan's broad achievements in art and design.



De Morgan has used a high-level light to cast a strong shadow over the face to give interest to the composition. Using a soft pencil, he built up layers to create the darker areas and left the textured paper white for the highlights. What he achieves is a dramatically lit rendering of the girl's captivating gaze. This small-scale of this portrait shows that it was probably made quickly as a sketch and something De Morgan made alongside his formal artistic training in a sketchbook for private practice. Living at home with De Morgan when this sketch was made were three of his younger sisters, Anne, Helena, and Mary, and so it is likely that he coerced one of them to pose for him.



This small blue silhouette is a quick sketch by De Morgan to capture figures in a pose. One robed figure bends over another who is sitting on the floor with his legs out. Even though the small sketch has been quickly executed, De Morgan clearly conveys the interaction between the figures, one stooping to help the other. It is probably a sketch for the Good Samaritan, a Biblical parable which encourages us to help our neighbours. Close inspection reveals that De Morgan has highlighted the robes and figures in white, perhaps experimenting with how the design would look with light pouring through once it had become a stained-glass window.

Figurative work by William De Morgan is rare and so these unique examples of his early draughtsmanship are an important addition to the Collection.

People

One Director of the De Morgan Foundation's Trustee Board stood down in 2021, Nick Boston. The Directors of the Board are extremely grateful for his valuable contribution to the Board over the years of his tenure, particularly during the transition years after the closure of the Wandsworth Museum in 2015.

The designation of the Foundation's Curator-Manager was changed to Director of the De Morgan Museum, to acknowledge the formal establishment of the De Morgan Museum at Cannon Hall and achieving 'Working Towards Accreditation' status with Arts Council England.

Ambassadors

Ceramics expert and broadcaster Eric Knowles, and the author and expert in the field of Victorian studies Lucinda Hawksley, the great-great-great-granddaughter of novelist Charles Dickens, continued their roles as public advocates for the De Morgan Foundation in 2021.

Volunteers

Volunteers remained essential to the Foundation's operations in 2021. Although many meetings had to be conducted online, two training days were able to take place for room stewards at Wightwick Manor, attended by 46 volunteers, teaching valuable new skills for reopening and discussing the collection with visitors.



Volunteers were able to contribute to the Foundation's public programme in various ways this year. From writing blogs for the De Morgan website, surveying visitors to the De Morgan Galleries for the Audience Agency project, to delivering talks for the online programme, volunteers have been a valuable asset to the Foundation in 2021.

The Foundation is extremely grateful for the contributions of volunteers in 2021.

Thanks

Fundraising, Grants, and Donations

The Foundation is extremely grateful for the following grants and donations in 2021.

The Derek Hill Foundation

£500 was donated by the Derek Hill Foundation to the De Morgan Foundation to allow it to continue its work with ceramics.

Museums Development Yorkshire

An award of £2,000 was made to the Foundation to allow it to engage a freelance consultant to produce a business case demonstrating the commercial potential of licencing the Collection. This was a key piece of work for the Foundation in meeting its objective to diversify its revenue in order to become a more resilient organisation.

Government Grant

The Foundation was awarded a discretionary grant of c.£20,000 to support its operations as a small business impacted by the Coronavirus pandemic. This has helped alleviate loss of income through museum closures and other activities impacted, such as fewer loans and exhibitions.

De Morgan Patrons Circle

The De Morgan Patrons' Circle grew in number in 2021, bringing in valuable unrestricted funds. These dedicated supporters receive regular updates from the Foundation's Museum Director and a Christmas gift. In 2022, the Foundation has plans for online and in-person events for this valuable group of supporters, subject to prevailing circumstances.

The Board of Directors of the De Morgan Trustee would like to thank its Patrons Circle members for their most valuable support; Andrew Bridges, Nick De Marco, Jesse Hellman, Arthur Maginn, Catherine and Mark Richards, Fleur Shearman, and those who wished to remain anonymous.

De Morgan Friends Membership

The process for managing annual subscriptions to the De Morgan Friends scheme was updated in 2021 so that supporters could set up a Direct Debit. This scheme continues to provide essential financial support to the Foundation.

Plans for the future

Covid-19 recovery continues to be a priority for the De Morgan Foundation and this informed the forward plan published in 2021 covering a three-year period until end 2024. Long-term resilience was a key element of this plan so that the Foundation will be in a strong financial, reputational, and organisational position should such unprecedented events occur in future. The Foundation will focus on achieving Accredited Museum Status at Cannon Hall, and diversifying income streams. These key objectives have informed the objectives and workplan for 2022.

Key Objectives 2022

The Foundation has agreed a set of objectives for 2022, designed to expand on its core purpose and provide the best possible use of its resources and the Collection for public engagement and enjoyment, and for the ongoing stability and resilience for the organisation.

Key objectives for 2022 are:

- Submit an application to achieve full Arts Council England Museum Accreditation status with the De Morgan Museum at Cannon Hall, by end of 2022.
- Explore and trial options for an audience-focused redisplay and redecoration of the De Morgan Museum.
- Develop commercial activity through licensing agreements, to further diversify revenue streams to ensure ongoing financial and operational stability and resilience.
- Successfully deliver a US exhibition of De Morgan artworks, to grow international reach and develop touring opportunities.

There are Sub-Committee Working Groups established for the first three objectives, to ensure focus and delivery.

In 2022 the Foundation will continue its work in meeting its charitable objectives, to care for the De Morgan Collection and provide public access to it; and to provide information about and interpretation of the Collection on many levels, and to promote the appreciation of art and education in art and allied subjects.

Future Exhibitions

The Foundation plans to expand its international exhibition programme. Following the Yale University Press publication of William and Evelyn De Morgan in 2022, a retrospective of the artists' work will open at Delaware Art Museum in Wilmington Delaware, USA. Touring to two subsequent venues in the following year, this will be the first major showing of the De Morgan Collection outside of the UK.

The Foundation will use this opportunity to develop its support base in the USA, through connections with interest groups such as the USA William Morris Society, College Arts Association (CAA), and the Association of Art Museum Curators.

December 2022 will see the opening of 'Visions in Gold: Evelyn De Morgan's Drawings' at Leighton House Museum. The Foundation will develop this exhibition to showcase the rare and unique drawings in gold pigment made by De Morgan throughout her career. This opportunity will enable the Foundation to achieve one of its ongoing aims to have a presence in London where the De Morgans lived and worked, and the strengthen ties with this important partner museum.

The Foundation will also support third party venues with loans from its collection to their exhibitions. Three of Evelyn De Morgan's paintings will travel to five venues in the UK and one painting will be displayed in Atlanta, Georgia.

This loan and exhibition activity - in addition to the Foundation's long-term partnerships - will ensure that as much of the De Morgan Collection is on display as possible, with opportunities for education and engagement activities delivered with partners.

FINANCIAL REVIEW

The Foundation's main income comes from income derived from its invested funds, supported by supporter subscriptions, retail sales, loan income, and donations.

The financial objectives of the Foundation are to ensure a good balance between income and expenditure. In 2017 a target was set to achieve financial self-sustainability within five years. Over the intervening years, the macro-economic climate of the UK has changed significantly, consequently the target for self-sustainability has, inevitably, been hard to achieve, and is thus deferred for the time being, until such time as the economy makes a sufficient recovery. That said, in the meantime the Foundation will endeavour to reach a balance between expenditure and income, such that it positions itself to meet this target at the earliest possible opportunity.

The ongoing impact of Covid-19 during 2021 continued to have a major impact on the Foundation, and caused its Museum and all partner sites to be closed for periods during the year. As in 2020, whilst this reduced income, it also meant the Foundation operated with lower overheads. However, the Foundation incurred greater expense than income in 2021, by £3.5k (2020 £7k).

During 2021 the Foundation received fees in advance for loans of artworks from the collection to other museums. As these fees are for loans in 2022 and 2023, the income has been accrued and will be realised in the appropriate financial years.

Investment policy and performance

The Foundation's investment fund comprises:

- The initial Endowment
- Any excess funds generated from the charity's income generation, e.g. subscriptions, retail sales, loan income, donations, etc.

As at 31st December 2021, the Foundation had an endowment fund valued at £1.582m (2020 £1.376m). Income from the fund is used to support the Foundation's operating costs and other charitable activities.

During 2021 the value of the Foundation's Investments recovered from the previous year's, and as at 31st December 2021 the Foundation had a book gain of £124k (2019 investment loss of £23k).

In 2021 the Foundation's investments continued to be managed by Investec. The investment strategy agreed by the Foundation and Investec is to seek maximum income whilst balancing the need for long term growth, ensuring no more than medium risk. The Foundation reviews both Investec's performance and the portfolio's performance on an annual basis.

Asset allocation at 31st December 2021 (2020) comprised:

Fixed Interest	11.30%	(13.07%)
UK Equities	34.98%	(41.4%)
Overseas Equities	38.44%	(32.6%)
Property	3.73%	(4.5%)
Alternative (Infrastructure)	8.05%	(6.99%)
Cash	3.5%	(1.43%)
Total	100.0%	(100%)

Reserves policy at 31st December 2021

The Foundation's reserves policy enables, as a minimum, a conventional three- to six-months operating cost basis.

Going concern

After making appropriate enquiries, the Foundation has a reasonable expectation it has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Risk management

The Foundation believes that, in order to prosper, considered risks will need to be taken. However, these must be assessed and managed so that benefits outweigh possible loss or damage to the Foundation. Where the Foundation is aware of a potential problem that may arise in the future, it plans in the present a course of action to mitigate that risk.

Managing risk effectively does not reduce opportunities but ensures the Foundation responds to risks that arise where it takes these opportunities. The Foundation has responsibilities to monitor and control both the process of risk management and the risks themselves, to ensure the organisation's continuing effectiveness and that opportunities for development are not being rejected. The Foundation has reviewed the major risks facing the charity and has agreed steps to mitigate them.

Heritage Assets

In 2021 the Foundation's collection of artworks, The De Morgan Collection, was valued at £10m. Overall, the collection includes c.2,000 items.

The collection is included in the balance sheet to comply with current accounting standards. However, unlike other assets, these cannot be sold to support the finances of the Foundation.

The collection is intended to be held in perpetuity and should any item no longer be required in support of the objectives of the Foundation, any disposal proceeds must be used to solely and directly for the benefit of the collection.

This makes the inclusion of these assets and their valuation primarily a matter of technical accounting compliance.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The De Morgan Foundation was created on 11th October 1968 by means of a trust deed. On 21st May 2010 the Charity Commission granted the De Morgan Foundation a new charitable scheme in which the registered company the De Morgan Trustee Company Limited, company no. 6914254, a private company limited by guarantee, became its sole trustee (the "Trustee").

The new scheme replaced the former trust deed and takes into account the specification of three former trusts; the De Morgan Trust, the De Morgan (Stirling) Trust, and the Stirling Foundation which predate the 1968 deed and were not considered within that document.

At the date on which the new scheme was registered, all extant trustees of the De Morgan Foundation became both members and directors of the Trustee.

In 2020 the Directors of the Trustee resolved to update and amend the constitution, as treated above.

Powers of the Trustee (De Morgan Trustee Company Limited)

In addition to the powers outlined within the constitutional documents of De Morgan Trustee Company Limited, the Trustee may exercise the following powers in furtherance of the charitable objects as outlined in the De Morgan Foundation charitable scheme dated 21st May 2010, and updated by the Directors of the Trustee in December 2020:

1. to raise funds. (The trustee must not undertake any permanent trading activity giving rise to charges to tax and must comply with any relevant statutory regulations);
2. to sell or exchange or lend any of the works belonging to the charity, subject in the case of sale or exchange of works, to Clause 12 of this Scheme;
3. to acquire objects, works of art and artefacts for any museum, gallery, exhibition or collection established, run or supported hereunder;
4. to equip, stock, exhibit, display, curate, run and tour any museum, gallery, exhibition or collection as supported hereunder and to conserve, restore, repair, reconstruct and preserve any item acquired by the charity or donated or loaned to the charity;
5. to allow all or any of the works to be exhibited in any part of the world;
6. to acquire or hire property and to maintain and equip it for use. (The property must be needed to further the objects of the charity.);

7. to sell, lease or otherwise dispose of all or any part of the charity property. (In exercising this power the trustee must comply as appropriate with sections 117 – 122 of the Charities Act 2011.);
8. to borrow money and to charge the whole or any part of the property belonging to the charity as security for repayment of the money borrowed. The trustee must comply with the Museum Association Code of Ethics and, if they wish to mortgage land owned by the charity, with sections 124 - 126 of the Charities Act 2011 as appropriate;
9. to co-operate with other charities, voluntary bodies and statutory authorities. The trustee may exchange information and advice with them;
10. to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the charitable objects;
11. to acquire, merge with or enter into any partnership or joint venture arrangement with any other charity formed for any of the charitable objects;
12. to delegate the performance of any act, including the exercise of any power or discretion, to a committee consisting of any two or more of the directors of the company which is the trustee. (The trustee must exercise reasonable supervision over the committee and the committee must promptly report their acts and proceedings to the trustee.) The committee must not incur expenditure on behalf of the charity except in accordance with a budget previously agreed by the trustee;
13. to appoint staff (who must not be directors of the company which is the trustee) and pay them reasonable remuneration, including pension provision for them and their dependants;
14. to deposit or invest funds, employ a professional fund-manager, and arrange for the investments or other property of the charity to be held in the name of a nominee, in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000; and
15. to do any other lawful thing that is necessary for the achievement of the charitable objects.

Method of appointment or election of directors of the Trustee ("Directors")

The articles of association of the Trustee state that there should be no fewer than three and no more than eleven Directors, each of whom is appointed for an initial period of three years. Retiring Directors are eligible to stand for a further term of office. The Board of Directors (the "Board") elects one of its number to the position of Chair at the first Board meeting of each year.

The recruitment of new Directors is overseen by the Board and reviewed on a regular basis to ensure a mix of skills and experience. Vacancies, open to all, are advertised on the Foundation's website and with other relevant organisations.

Policies adopted for induction and training of Directors of the Trustee

Each Director enters into a letter of appointment outlining both his or her commitment to the Board and also the Board's commitment and responsibilities to the individual Director. New Directors are provided with a joining pack, including the Charity Commission Publication CC3 'The Essential Trustee: what you need to know, what you need to do'.

Organisational structure and decision making

The registers of Members and of Directors, together with all other statutory registers, are maintained at the Foundation's office:

De Morgan Foundation
Cannon Hall
Bark House Lane
Barnsley
S75 4AT

Each register is available to view by appointment with the company secretary of the Trustee.

Management Structure

The business of the Foundation is overseen by the Board of Directors of the Trustee. Day-to-day management is undertaken by a full-time Director of the De Morgan Museum reporting to the Board.

The Foundation also benefits from the support of a small volunteer workforce, who make an important contribution to the organisation's activities and the Trustee Board is immensely grateful for their time and dedication. The Foundation is committed to providing a skill-enhancing experience for its volunteers and seeks to develop volunteer contribution and experience over time.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity

The De Morgan Foundation

Charity registered number

310004

Registered office of the charity

Cannon Hall Museum
Bark House Lane
Cawthorne
Barnsley
S75 4AT

Managerial Staff

Sarah Hardy, Director of the De Morgan Museum,
Curator of the De Morgan Collection, and
Secretary to the Board of Directors of the Trustee

Trustee

De Morgan Trustee Company Limited
Company Number: 06914254

Registered office of the Trustee

Cannon Hall Museum
Bark House Lane
Cawthorne
Barnsley
S75 4AT

Board of Directors of the Trustee

Jean McMeakin (Chair)
Stephen Jones (Treasurer)
Patricia Astley-Cooper
Nicholas Boston (until February 2021)
Richard Flowerday
Stanislav Lyuzhanov
Rebecca Shaw

Solicitors

Stone King LLP
Boundary House
91 Charterhouse Street
London EC1M 6HR

Accountants

Kreston Reeves LLP
Chartered Accountants
Second Floor
168 Shoreditch High Street
London
E1 6RA

Bookkeepers

Mapperson Price
Old Gunn Court
1 North Street
Dorking
Surrey
RH4 1DE

Bankers

CAF Bank Limited
25 Kings Hill Avenue
West Malling
Kent
ME19 4TA

Investment Fund Managers

Investec Wealth and Investment
2 Gresham Street
London EC2V 7Q

TRUSTEE'S RESPONSIBILITIES STATEMENT

The Trustee is responsible for preparing the Trustee's report 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 & Wales requires the Trustee 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 of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards (FRS102) 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 operation.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable it 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. It is 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.

This report was approved by order of the Board of Directors of the Trustee on 11th April 2022 and signed on their behalf by:



Jean McMeakin

For and on behalf of De Morgan Trustee Company Limited

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF DE MORGAN FOUNDATION

I report to the charity Trustee on my examination of the accounts of the charity for the year ended 31st December 2021.

Responsibilities and basis of report

As the Trustee of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1st April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1st January 2015.

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the charity's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustee those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustee as a body, for my work or for this report.

Signed:

Dated: 11th April 2022



Peter Hudson BA FCA
Kreston Reeves LLP
Chartered Accountants
Second Floor
168 Shoreditch High Street
London
E1 6RA

Statement of financial activities for the year ended 31st December 2021

	Note	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:						
Donations and legacies	3	-	-	27,692	27,692	22,294
Charitable activities	4	-	-	21,906	21,906	17,763
Other trading activities	5	-	-	12,056	12,056	10,216
Investments	6	35,587	-	-	35,587	34,055
Total income and endowments		35,587	-	61,654	97,241	84,328
Expenditure on:						
Raising funds	7,8	12,919	-	10,110	23,029	14,834
Charitable activities	9	-	2,290	74,937	77,227	76,794
Total expenditure		12,919	2,290	85,047	100,256	91,628
Net income/(expenditure) before net gains/(losses) on investments						
		22,668	(2,290)	(23,393)	(3,015)	(7,300)
Net gains/(losses) on investments		124,013	-	-	124,013	(22,601)
Net income / (expenditure)		146,681	(2,290)	(23,393)	120,998	(29,901)
Transfers between funds	19	(40,000)	490	39,510	-	-
Net movement in funds		106,681	(1,800)	16,117	120,998	(29,901)
Reconciliation of funds:						
Total funds brought forward		1,396,037	5,604	10,583,291	11,984,932	12,014,833
Net movement in funds		106,681	(1,800)	16,117	120,998	(29,901)
Total funds carried forward		1,502,718	3,804	10,599,408	12,105,930	11,984,932

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 52 to 67 form part of these financial statements.

Balance sheet as at 31st December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	10,556,184	10,555,009
Investments	15	1,582,718	1,396,037
		<u>12,138,902</u>	<u>11,951,046</u>
Current assets			
Stocks	16	3,454	3,786
Debtors	17	1,030	3,570
Cash at bank and in hand		13,539	33,162
		<u>18,023</u>	<u>40,518</u>
Creditors: amounts falling due within one year	18	(50,995)	(6,632)
Net current liabilities / assets		<u>(32,972)</u>	<u>33,886</u>
Total net assets		<u>12,105,930</u>	<u>11,984,932</u>
Charity funds			
Endowment funds	19	1,502,718	1,396,037
Restricted funds	19	3,804	5,604
Unrestricted funds	19	10,599,408	10,583,291
Total funds		<u>12,105,930</u>	<u>11,984,932</u>

The financial statements were approved and authorised for issue by the Trustee on 11th April 2022 and signed on their behalf by:

The De Morgan Trustee Company Limited

The notes on pages 52 to 67 form part of these financial statements.

Notes to the financial statements for the year ended 31st December 2021

1. General information

The charity is constituted under a Trust Deed under the laws of England & Wales. Its registered office, and principle place of business, is Cannon Hall, Bark House Lane, Barnsley, S75 4AT.

The charity's purpose is to conserve the art of William and Evelyn De Morgan and exhibit their art both at Watts Gallery Estate and on loan to other museums.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

De Morgan Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustee assesses whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustee makes this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Whilst the impact of the COVID-19 pandemic has been assessed by the Trustee, so far as is reasonably possible, due to its unprecedented impact on the worldwide economy it is difficult to evaluate with any certainty the potential outcomes on the Charity's future activities. However, taking into consideration the Charity's level of reserves, the Trustee believes that the Charity will be able to continue in operational existence for the foreseeable future.

2.3 Income

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Our call later

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Exhibition display units	- 4 years straight line
Furniture and office equipment	- 4 years straight line

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments held as fixed assets are shown at cost less provision for impairment.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Donations	-	7,451	7,451
Grants	-	20,241	20,241
	<u>-</u>	<u>27,692</u>	<u>27,692</u>
	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	4,300	12,994	17,294
Grants	-	5,000	5,000
	<u>4,300</u>	<u>17,994</u>	<u>22,294</u>

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Royalties	2,363	2,363
Loan of artwork	19,543	19,543
Total 2021	<u>21,906</u>	<u>21,906</u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Income from charitable activities - Activities undertaken directly	2,163	2,163
Income from charitable activities - Support costs	15,600	15,600
<i>Total 2020</i>	<u>17,763</u>	<u>17,763</u>

5. Income from trading activities

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £
Shop sales	5,244	5,244
Admissions	6,812	6,812
	<u>12,056</u>	<u>12,056</u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Shop sales	2,843	2,843
Admissions	7,373	7,373
	<u>10,216</u>	<u>10,216</u>

6. Investment income

	Endowment funds 2021 £	Total funds 2021 £
Investment income	<u>35,587</u>	<u>35,587</u>
	<i>Endowment funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment income	<u>34,055</u>	<u>34,055</u>

7. Expenditure on raising funds

Charity trading expenses

	Unrestricted funds 2021 £	Total funds 2021 £
Shop and event costs	<u>10,110</u>	<u>10,110</u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Shop and event costs	<u>3,027</u>	<u>3,027</u>

8. Investment management costs

	Endowment funds 2021 £	Total funds 2021 £
Investment management fees	<u>12,919</u>	<u>12,919</u>
	<i>Endowment funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment management fees	<u>11,807</u>	<u>11,807</u>

9. Analysis of expenditure on charitable activities Summary by fund type

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Charitable activities	<u>2,290</u>	<u>74,937</u>	<u>77,227</u>
		<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Charitable activities		<u>76,794</u>	<u>76,794</u>

10. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Charitable activities	<u>50,238</u>	<u>26,989</u>	<u>77,227</u>

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Charitable activities	<u>49,089</u>	<u>27,705</u>	<u>76,794</u>

Analysis of direct costs

	Activities undertaken directly 2021 £	Total funds 2021 £
Staff costs	40,337	40,337
Collections management & conservation costs	2,901	2,901
Insurance	3,896	3,896
Rent, rates and service charge	3,104	3,104
	<u>50,238</u>	<u>50,238</u>

	<i>Activities undertaken directly 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	40,875	40,875
Collections management & conservation costs	1,740	1,740
Insurance	1,074	1,074
Rent, rates and service charges	5,400	5,400
	<u>49,089</u>	<u>49,089</u>

Analysis of support costs

	Activities undertaken directly 2021 £	Total funds 2021 £
Depreciation	15	15
Independent examiner's fees	4,925	4,925
Bank charges	264	264
Subscriptions	886	886
Storage of Special Range Property (artwork)	13,358	13,358
Office print, post and stationery	140	140
Sundry costs	833	833
Promotion and advertising	512	512
Travel and subsistence	4,686	4,686
Computer and internet costs	497	497
Other professional fees	873	873
	<u>26,989</u>	<u>26,989</u>
	<i>Activities undertaken directly 2020 £</i>	<i>Total funds 2020 £</i>
Depreciation	3	3
Independent examiner's fees	4,858	4,858
Bank charges	555	555
Subscriptions	535	535
Storage of Special Range Property (artwork)	13,789	13,789
Office print, post and stationery	226	226
Sundry expenses	457	457
Promotion and advertising	24	24
Travel and subsistence	693	693
Computer and internet costs	500	500
Other professional fees	5,945	5,945
Bad debt provision	120	120
	<u>27,705</u>	<u>27,705</u>

11. Independent examiner's remuneration

	2021 £	2020 £
Fees payable to the charity's independent examiner for the independent examination of the charity's annual accounts	<u>4,925</u>	<u>4,858</u>

12. Staff costs

	2021	2020
	£	£
Wages and salaries	<u>40,337</u>	<u>40,875</u>

The average number of persons employed by the charity during the year was as follows:

	2021	2020
	No.	No.
Support staff	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

13. Trustee's remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL-).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £40).

14. Tangible fixed assets

	Plant and machinery	Fixtures and fittings	Other fixed assets	Total
	£	£	£	£
Cost or valuation				
At 1 January 2021	21,094	9,817	10,554,950	10,585,861
Additions	-	-	1,190	1,190
At 31 December 2021	<u>21,094</u>	<u>9,817</u>	<u>10,556,140</u>	<u>10,587,051</u>
Depreciation				
At 1 January 2021	21,094	9,758	-	30,852
Charge for the year	-	15	-	15
At 31 December 2021	<u>21,094</u>	<u>9,773</u>	<u>-</u>	<u>30,867</u>
Net book value				
At 31 December 2021	<u>-</u>	<u>44</u>	<u>10,556,140</u>	<u>10,556,184</u>
At 31 December 2020	<u>-</u>	<u>59</u>	<u>10,554,950</u>	<u>10,555,009</u>

15. Fixed asset investments

	Listed investments £	Other fixed asset investments £	Total £
Cost or valuation			
At 1 January 2021	1,376,109	55,408	1,431,517
Additions	339,456	-	339,456
Disposals	(297,953)	-	(297,953)
Revaluations	109,698	-	109,698
At 31 December 2021	<u>1,527,310</u>	<u>55,408</u>	<u>1,582,718</u>
Net book value			
At 31 December 2021	<u>1,527,310</u>	<u>55,408</u>	<u>1,582,718</u>
At 31 December 2020	<u>1,376,109</u>	<u>55,408</u>	<u>1,431,517</u>

16. Stocks

	2021 £	2020 £
Shop stock	<u>3,454</u>	<u>3,786</u>

17. Debtors

	2021 £	2020 £
Due after more than one year		
Other debtors	450	450
Due within one year		
Trade debtors	45	2,815
Prepayments and accrued income	535	305
	<u>1,030</u>	<u>3,570</u>

18. Creditors: Amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	2,083	-
Other creditors	933	1,082
Accruals and deferred income	47,979	5,550
	<u>50,995</u>	<u>6,632</u>

19. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Designated funds						
Special range property	10,554,950	-	-	-	-	10,554,950
Conservation of collection	2,075	-	-	-	-	2,075
	<u>10,557,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,557,025</u>
General funds						
General Funds	<u>26,266</u>	<u>61,654</u>	<u>(85,047)</u>	<u>39,510</u>	<u>-</u>	<u>42,383</u>
Endowment funds						
Permanent endowment (listed investments)	512,768	-	(4,745)	-	45,550	553,573
Expendable endowment (listed investments)	883,269	35,587	(8,174)	(40,000)	78,463	949,145
	<u>1,396,037</u>	<u>35,587</u>	<u>(12,919)</u>	<u>(40,000)</u>	<u>124,013</u>	<u>1,502,718</u>
Restricted funds						
Ceramics conservation	1,304	-	-	-	-	1,304
Art Fund	1,800	-	(2,290)	490	-	-
Decorative Arts Society	2,500	-	-	-	-	2,500
	<u>5,604</u>	<u>-</u>	<u>(2,290)</u>	<u>490</u>	<u>-</u>	<u>3,804</u>
Total of funds	<u><u>11,984,932</u></u>	<u><u>97,241</u></u>	<u><u>(100,256)</u></u>	<u><u>-</u></u>	<u><u>124,013</u></u>	<u><u>12,105,930</u></u>

Statement of funds - prior year

	<i>Balance at 1 January 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2020 £</i>
Designated funds						
Special range property	10,554,950	-	-	-	-	10,554,950
Conservation of collection	2,075	-	-	-	-	2,075
	<u>10,557,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,557,025</u>
General funds						
General Funds	<u>28,331</u>	<u>45,973</u>	<u>(79,821)</u>	<u>31,783</u>	<u>-</u>	<u>26,266</u>
Total Unrestricted funds	<u>10,585,356</u>	<u>45,973</u>	<u>(79,821)</u>	<u>31,783</u>	<u>-</u>	<u>10,583,291</u>
Endowment funds						
Permanent endowment (listed investments)	525,427	-	(4,344)	-	(8,315)	512,768
Expendable endowment (listed investments)	902,746	34,055	(7,463)	(31,783)	(14,286)	883,269
	<u>1,428,173</u>	<u>34,055</u>	<u>(11,807)</u>	<u>(31,783)</u>	<u>(22,601)</u>	<u>1,396,037</u>
Restricted funds						
Ceramics conservation	1,304	-	-	-	-	1,304
Art Fund	-	1,800	-	-	-	1,800
Decorative Arts Society	-	2,500	-	-	-	2,500
	<u>1,304</u>	<u>4,300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,604</u>
Total of funds	<u><u>12,014,833</u></u>	<u><u>84,328</u></u>	<u><u>(91,628)</u></u>	<u><u>-</u></u>	<u><u>(22,601)</u></u>	<u><u>11,984,932</u></u>

Designated funds relate to the following:

- Special Range Property

These are the heritage assets (artworks in the De Morgan Collection held in pursuance of the charity's charitable objects under the Charity Commission scheme). They will be held for the life of those assets and from time to time, will reflect fluctuations in value as determined by the Foundation's art valuers.

The Collection is included in the balance sheet to comply with current accounting standards. However, unlike other assets, these cannot be sold to support the finances of the organisation. The collection is intended to be held in perpetuity and should any item no longer be required in support of the objectives of the Foundation, any disposal proceeds must be used to solely and directly for the benefit of the collections.

This makes the inclusion of these assets and their valuation primarily a matter of technical accounting compliance.

- Conservation of collection

Funds are held for conservation of the collection or new purchases of art work.

Endowment funds relate to the following:

Endowment funds relate to investments, of which the Expendable endowment can be expended as required. With regard to the Permanent endowment, investment income can be utilised but not the capital element. The Permanent endowment was determined as of 31.12.2006 at £405,943 by the Charity Commission and varies in accordance with movements in the underlying investments and with investment manager fees. As at 31.12.2021 the value of the permanent endowment was £548,221.

Restricted funds relate to the following:

- Ceramics Conservation Project

Funds are held for the conservation of the ceramics in the De Morgan Foundation collection.

- Arts Fund

This represents a grant to allow the curator to visit Delaware and South Carolina in respect of Foundation.

- Decorative Arts Society

Funds to be used in the conservation and preparation for display of two William De Morgan's designs for stained glass.

Transfers between funds

The transfer represents the income and proportion of capital that is permitted to support the running costs of the charity.

20. Summary of funds

Summary of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Designated funds	10,557,025	-	-	-	-	10,557,025
General funds	26,266	61,654	(85,047)	39,510	-	42,383
Endowment funds	1,396,037	35,587	(12,919)	(40,000)	124,013	1,502,718
Restricted funds	5,604	-	(2,290)	490	-	3,804
	<u>11,984,932</u>	<u>97,241</u>	<u>(100,256)</u>	<u>-</u>	<u>124,013</u>	<u>12,105,930</u>

Summary of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Designated funds	10,557,025	-	-	-	-	10,557,025
General funds	28,331	45,973	(79,821)	31,783	-	26,266
Endowment funds	1,428,173	34,055	(11,807)	(31,783)	(22,601)	1,396,037
Restricted funds	1,304	4,300	-	-	-	5,604
	<u>12,014,833</u>	<u>84,328</u>	<u>(91,628)</u>	<u>-</u>	<u>(22,601)</u>	<u>11,984,932</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	10,556,184	10,556,184
Fixed asset investments	1,502,718	-	80,000	1,582,718
Debtors due after more than one year	-	-	450	450
Current assets	-	3,804	13,769	17,573
Creditors due within one year	-	-	(50,995)	(50,995)
Total	<u>1,502,718</u>	<u>3,804</u>	<u>10,599,408</u>	<u>12,105,930</u>

Analysis of net assets between funds - prior year

	<i>Endowment funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	10,555,009	10,555,009
Fixed asset investments	1,396,037	-	-	1,396,037
Debtors due after more than one year	-	-	450	450
Current assets	-	5,604	34,464	40,068
Creditors due within one year	-	-	(6,632)	(6,632)
Total	<u>1,396,037</u>	<u>5,604</u>	<u>10,583,291</u>	<u>11,984,932</u>

22. Related party transactions

There are no related party transactions during 2021 or 2020 other than the reimbursement of expenses disclosed in note 11.

23. Controlling party

The charity is controlled by its Trustee.



De Morgan Foundation