

REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2021  
FOR  
RYE ART GALLERY TRUST

Gibbons Mannington & Phipps LLP  
Chartered Accountants  
Landgate Chambers  
Rye  
East Sussex  
TN31 7LJ

RYE ART GALLERY TRUST

CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2021

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The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### HIGHLIGHTS

- The Gallery was required to close, under Government "covid" regulations from the beginning of the year until April. But despite this, the year has proved to be a truly exceptional year on all fronts:
- Many very well received exhibitions from April to December
- Income up from £128,000 last year to a new all-time high figure of £174,000
- Reserves (taken as cash, market investments, debtors and stock less creditors and loans) gained more than £66,000 in the year to over £214,000 at the year-end
- A "profit" in the year of over £60,000
- The number of Friends of the Gallery increased somewhat over the year despite the lack of activity and special events for Friends.
- We held our first ever auction (online) which proved to be very successful in terms of community interest and fund-raising

#### PRELIMINARIES

##### Objectives and aims

The Trust Deed was set up for "the propagation of knowledge concerning the fine arts and in particular the art of painting and the stimulation of interest in and the encouragement of the same by the provision and arrangement of exhibitions and lectures and of facilities for instruction in the same and the practice thereof." An underlying policy is that the Gallery is freely open for all, therefore providing visual art for public benefit.

##### Governance and public benefit

The Trustees have overall responsibility for ensuring the integrity of the Stormont bequest through the 1957 Trust Deed and that the charity has appropriate systems of controls, financial and otherwise. They are also required to comply with the guidelines as laid down by the Charity Commissioners to whom they are accountable.

Charity law also requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. The Trustees have due regard for the guidance published by the Charity Commission on public benefit.

##### Governing document and constitution

Rye Art Gallery Trust remains a Charitable Trust created under the terms of the Mary Stormont Trust Deed and a constitution dated 4 October 1957, as varied in 1987, 1995, 2012, 2018 and 2021. The Charities Commission Number is 310318.

#### OBJECTIVES AND ACTIVITIES

Charitable activities in fulfilling the objectives - generalised

To fulfil its objectives, and subject at all times preserving its status as a charity, the Trust may acquire works of art for the purpose of public display, also may establish any or all of the following:-an Art Gallery, a Picture Gallery, an Art School, a Lecture Hall and may do anything else whereby artistic education and appreciation may be promoted. In furtherance of these activities, below sets out the operations and activities that were undertaken in 2021 starting once the covid restrictions were lifted in April.

- Six Gallery spaces open free of charge to the public six days a week with a variety of exhibitions and events taking place during the year. The Trustees, Gallery Director and Staff ensure that the very best of Contemporary Art by local and regional artists and crafts people is always available for enjoyment and purchase through regularly refreshed displays and themed exhibitions.

- The Gallery holds a Permanent Collection of over 700 items of two and three-dimensional work, which includes the original Stormont Bequest of around 100 paintings. Acquisitions via bequest, purchase and loan are made focussing on 19th-21st century art. Art works from the Collection are shown for public enjoyment and education.

- Educational, social events and awards to children were restricted due to the continuing covid concerns of organising events in small indoor spaces which would put off a significant number of people from attending despite the removal of legal requirements later in the year. It is hoped to have much more of this activity in 2022 onwards.

- Historically, we have normally printed our Exhibition programme in two half-yearly brochures. However, because of the uncertainties with Covid this did not happen in 2021 and instead several brochures were printed for individual exhibitions.

-Exhibition catalogues have been reintroduced for many of the exhibitions taking place. The catalogues can provide important historical background information on the permanent collection and on our founder Mary Stormont for the public visiting the gallery as well as adding to the historic archives for future visitors and researchers

- At the end of 2021, the number of Friends of the Gallery totalled 104

#### RYE ART GALLERY EXHIBITION AND EVENTS PROGRAMME FOR 2021 IN DETAIL

- Online Auction - 5th March - 1st April 2021

During January through to April 2021, the gallery remained closed to the public in the third COVID lockdown. So, we reverted to being open virtually, running a series of art related talks via zoom and providing 'art for sale' through direct marketing to customers and our website. At the gallery, staff worked behind the scenes to get ready for opening with preparations for shows.

As a key part of our fundraising strategy for the gallery, we staged our first online auction of artworks drawn from an array of pieces collected from our stores including paintings, prints and ceramics. This did not form a part of our commercial operations. Net revenues generated from the auction (nearly £6,500) have been set aside and added to the charitable donations used to conserve our permanent collections and maintain the historic buildings operated by the Rye Art Gallery Trust.

Some gallery friends, artists and supporters also donated artworks for this auction to help us raise additional funds.

- There Will be Growth in Spring, RSA Spring Show 2021 - April 12th - May 16th 2021

The first known society for the arts established in Rye was the 'Rye Arts Club.' Originally set up and organised by local artist Howard Gull Stormont and his wife, the painter Mary Stormont who lived at Ypres Studio. This house and the original bequest of her art collections became a part of the Rye Art Gallery as we know it today. During the 1920's Rye Arts Club was based at Lamb House, with Henry James the writer listed as an early president. In 1951, the Club transferred into the Rye Society of Arts and so 2021 was the Society's 70th anniversary year, The spring show at Rye Art Gallery was supported by over 40 artists, it was a wonderful eclectic mix of over 100 artworks including paintings, prints, ceramics, sculptures, photography and film. The RSA's art collection on permanent loan to Rye Art Gallery was also displayed as a part of this anniversary celebration in our upstairs studio space.

- Somewhere the Grass is Greener - April 12th - 30th May 2021

'Somewhere the Grass is Greener,' brought together local artists Nick Archer and Michael Denton of Overlap: The work explores landscape representations through varying levels of abstraction. Both artists use multimedia disciplines to achieve their visions, from audio-visual presentations, to paint on canvas. Although landscape is the central motif in all the work, one can also find links in the artists' creative process

which revealed deeper meanings and an investigation of the sublime, a recurrent theme throughout art history: landscape used as a metaphor to reveal the raw forces of nature and the mysteries of our experience.

- Clouds - 22nd May - 22nd August 2021

"We see nothing until we truly understand it." John Constable

The depiction of clouds in the visual arts has been a fascination of artists long before the beginning of scientific classification and the start of meteorology. Because of their position (between heaven and earth) clouds were ideal religious symbolism in Western art. Clouds were also instrumental during the Renaissance with depictions of the Madonna and baby Jesus cushioning their floating bodies and elevating the churches importance in lives of those living underneath them.

This exhibition included work by artists who are inspired and continue to work in the same way as Constable. The close examinations of Jenny Pockley's clouds not only reference Constable but bring us back to religious symbolism where the atmospheric reality is startling - we are almost waiting for that spiritual experience to take place. The exhibition pulls together the technical, the observant and suggestive artists that work within the realms of cloud and skiescapes.

- Peter Waldron: Studio Studies - May 22nd - 22nd August 2021

A selection of small abstract oils with some new larger scale canvases. These were small abstract studies made during lockdown for Rye Art Gallery's studio space. Peter Waldron studied at Chelsea School of Art and Design, London, and was awarded a Fellowship in Painting at Gloucestershire College of Art. His work is held in the Arts Council Collection, by galleries in London and Crete and in private collections worldwide.

- Burra & Friends - Friday 27th August - Sunday 3rd October 2021

Artists' responses to the artist Edward Burra (a collaborative show) including works from our permanent collections by Paul Nash, Edward Burra and John Banting with new works for sale by David Lock, James Dearlove, David Surnam, Gerry Paul White and Geraldine Swayne. Edward Burra is a name that comes up regularly in Rye, as one of our most famous inhabitants there are many people who remember, recollect and eulogised about this enigmatic individual. His artwork and his life were a journey of immeasurable achievement, he was overwhelmed with illness from birth but rather than allowing this to become his identity, he worked tirelessly creating the paintings we now recognise as some of the most famous water colours in the art world.

- B is for Burra... by John Wiltshire - Open until Sunday 3rd October 2021

An exhibition that came out of an in-depth introspection of Rye Art Gallery's Edward Burra archives by John Wiltshire. Studies include personal objects, toys, photographs and postcards. John was our artist in residence during May until August.

Supporting evening events:

- A discussion about our collaborative exhibitions 'Burra & Friends' with 'B is for Burra'- Saturday 18th September 5 PM - 7 PM

40 attendees joined art historian Louise Simkiss and cultural historian Diarmuid Hester who were at Rye Art Gallery in a conversation with contributing artists David Lock, and John Wiltshire.

- Louis Turpin: Gardens - Landscapes -Saturday 11th September - Sunday 10th October

Louis Turpin's new exhibition was the first one in Rye for over two years, and included a collection of 30 new paintings. The work represented his journey through life, not only as a painter but also as someone living and working through lock down. His signature artworks expressed joy in colour and a celebration of nature, returning to the artist's roots, referencing composition and structure.

Supporting evening events:

- In Conversation with Louis Turpin - Wednesday 15th September 5 PM - 7 PM

Over 60 attendees came to hear Louis Turpin with Dr Julian Day, Curator of Rye Art Gallery 'In Conversation' was a discussion about Louis' new exhibition Gardens - Landscapes which had opened at Rye Art Gallery on 11th September but also covered his experiences with art and life over his long career and time in Rye

- Monochrome - Cadmium - Opening Thursday 11th November 2021 until Sunday 9th January 2022

The final exhibition of 2021 was a call out show to all artists who submitted new works from selected artists using a monochromatic palette.

The show included not just artworks using black and white but also pieces where artists have limited their palette to include another colour or perhaps to offer even more versatility, some warm and cold pigments added to white.

With over 150 paintings prints ceramics and sculptures shown many monochromatic artworks were also exhibited in this show from the permanent collections at Rye Art Gallery. From Giovanni Battista Piranesi architectural masterpieces to Norman Ackroyd's meticulous observations of landscape.

Three successful exhibitions of local artists new works were staged during November and December 2021.

- Artist in focus - Keith Purser - November 2021

Keith Purser lives and works in Dungeness in the shadow of the power station and the never-ending horizon of the edge of the country. Selvedging and foraging, his work incorporates found objects from the beach. Born in Bromley, he attended Sidcup School of Art in the 1960s and has lived and worked in Cornwall, Lincolnshire and Kent.

- Artist in focus - Sally Cole - November 2021

25 New paintings, drawings and monotypes were shown that have been produced over the last two years, reflecting on these challenging times for us all.

During the first lockdown Sally set up a workspace in her small shed and eventually she was then able to travel back to Pembrokeshire, during October 2020, and then in April and May 2021.

- Artist in focus - Karl Terry - December 2021

Karl is a prolific 'plein air' oil painter based in Kent. Inspirations are drawn from a wealth of coastal landmarks, recording what he describes as ever-changing moments and weather patterns. His favourite places to paint are Camber, Winchelsea and the local landscape near Wittersham, where he lives. The exhibition featured 25 new paintings focused on Rye environs with particular emphasis on works depicting the dunes and Camber at different times of day and with that ever-changing weather.

FINANCIAL REVIEW

Outcome from the various lockdowns suffered in 2020/21

Although the Gallery endured enforced closure for the first 3-4 months of the year, the Gallery benefitted financially from a number of favourable events and circumstances. This included:

- many British citizens chose to stay in the UK for their holiday and enjoyed plenty of day-trips and weekend breaks with money to spend on art
- The Gallery held a very attractive set of exhibitions from local artists giving tremendous support to us
- the Gallery Director and staff showed enormous dedication and hard work
- not least, the Gallery was able to continue to make successful claims under the business interruption cover provided by our insurance arrangements and to make further claims on public grants relating to covid

Trading performance

Taking into account all of the above, the sales of contemporary art in 2021 amounted to approximately £272,964 before commissions. When allowing for deductions for commissions and VAT and adding in the relatively small amount of merchandise sales and other income, the overall total net income from normal activities amounted to £141,236. In 2021, there was in addition an extra amount of income arising from Government grants and insurance payouts which totalled £33,059.

Total expenses for the year amounted to £112,621 before allowing for depreciation and one-off accounting changes. After allowing for these changes, the net expenditure amounted to £113,982 giving an overall net surplus of £60,313. Profits on investments increased this to a net surplus of £66,532.

Net unrestricted assets at the end of the year amounted to £728,061 including £96,299 of non cash funds held by Rathbones and ignoring the property revaluations over many years.

Reserves policy

The policy in place is to ensure that the net liquid reserves, defined as cash, marketable investments, debtors and stock less creditors and loans, should stay in excess of £125,000 except in exceptional times. At the end of 2021, reserves on this basis amounted to £214,341 including restricted funds and £198,125 excluding restricted funds. The trustees propose keeping to this policy for 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisation, recruitment, appointment of new trustees and manpower to keep the Gallery operating

The Charity is directed by the Board of volunteer unpaid Trustees. The maximum number of permitted Trustees is 7. The Trust deed, as amended to the present day, states that one Trustee must be appointed by the Royal Academy, one by Rye Town Council and another by the Friends of Rye Art Gallery. At the start of 2021, there were 7 trustees with one (Julian Day) providing interim Gallery Director services as a contractor. In June, following the growing confidence of being able to stay open, he became a full-time employee and resigned as a trustee.

With this growing confidence about the economy and the control of covid, the trustees also felt able to appoint 2 other individuals as employees of the Gallery at the same time as the Gallery Director, namely Jason McEwen-Mcghie as Gallery Representative and Polly Horner as Gallery Assistant. All three have all stayed in place throughout the year, wholeheartedly serving the needs of the public and the trustees alike. The trustees are very grateful for all the hard work they put in during 2021.

#### REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number  
310318

Principal address  
107 High Street  
RYE  
East Sussex.  
TN31 7JE

#### Trustees

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

Mr Trevor Llanwarne CB (Chairman)  
Ms Kate Van Der Pump (retired summer 2020)  
Ms Susan Benn (retired summer 2020)  
Mr Julian Day (retired June 2021)  
Mrs Heidi Foster (appointed February 2020)  
Mrs Louise Simkiss-Day (appointed August 2020)  
Mrs Sarah Kowitz (appointed November 2020)  
Dr Amy Pierce Miller (appointed December 2020)  
Mr Michael Boyd (appointed February 2021)

#### Independent Examiner

Mr J Greenslade FCCA  
Gibbons Mannington & Phipps LLP  
Chartered Accountants  
Landgate Chambers  
Rye  
East Sussex  
TN31 7LJ

#### Solicitors

Heringtons Solicitors  
Bank Chambers  
80 High Street  
Rye  
East Sussex  
TN31 7JR

#### Investment adviser

Rathbones Investment Management  
London  
W1J 5FB

RYE ART GALLERY TRUST

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST DECEMBER 2021

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Approved by order of the board of trustees on ..... **28th June 2022** ..... and signed on its behalf  
by:



.....  
T Llanwarne CB - Chairman - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
RYE ART GALLERY TRUST

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Independent examiner's report to the trustees of Rye Art Gallery Trust

I report to the charity trustees on my examination of the accounts of Rye Art Gallery Trust (the Trust) for the year ended 31st December 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the 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.



Mr J Greenslade FCCA  
Gibbons Mannington & Phipps LLP  
Chartered Accountants  
Landgate Chambers  
Rye  
East Sussex  
TN31 7LJ

Date: **8 July 2022** .....

RYE ART GALLERY TRUST

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	36,463	-	36,463	63,700
Charitable activities					
Artwork sales	5	113,194	-	113,194	49,929
Lecture income		539	-	539	478
Trading activities	3	22,767	-	22,767	13,317
Investment income	4	1,332	-	1,332	1,250
Total		174,295	-	174,295	128,674
<b>EXPENDITURE ON</b>					
Cost of Raising Funds	6	24,826	-	24,826	22,950
Charitable activities					
Artwork sales	7	83,141	-	83,141	68,732
Professional fees		4,615	-	4,615	1,624
Independant examiners fee		1,300	-	1,300	1,275
Total		113,882	-	113,882	94,581
Net gains on investments		6,219	-	6,219	592
NET INCOME		66,632	-	66,632	34,685
Transfers between funds	19	(6,427)	6,427	-	-
Net movement in funds		60,205	6,427	66,632	34,685
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		667,956	33,653	701,609	666,924
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>728,161</u>	<u>40,080</u>	<u>768,241</u>	<u>701,609</u>

The notes form part of these financial statements

RYE ART GALLERY TRUST

BALANCE SHEET  
31ST DECEMBER 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	13	530,036	-	530,036	530,364
Heritage assets	14	-	23,864	23,864	23,864
Investments	15	96,299	-	96,299	45,399
		<u>626,335</u>	<u>23,864</u>	<u>650,199</u>	<u>599,627</u>
<b>CURRENT ASSETS</b>					
Stocks	16	6,200	-	6,200	6,075
Debtors	17	2,344	-	2,344	45,580
Cash at bank and in hand		117,451	16,216	133,667	65,673
		<u>125,995</u>	<u>16,216</u>	<u>142,211</u>	<u>117,328</u>
<b>CREDITORS</b>					
Amounts falling due within one year	18	(24,169)	-	(24,169)	(15,346)
		<u>101,826</u>	<u>16,216</u>	<u>118,042</u>	<u>101,982</u>
<b>NET CURRENT ASSETS</b>					
		<u>101,826</u>	<u>16,216</u>	<u>118,042</u>	<u>101,982</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>728,161</u>	<u>40,080</u>	<u>768,241</u>	<u>701,609</u>
<b>NET ASSETS</b>					
		<u>728,161</u>	<u>40,080</u>	<u>768,241</u>	<u>701,609</u>
<b>FUNDS</b>					
	19				
Unrestricted funds:					
General fund				728,161	667,956
Restricted funds:					
Permanent Collection				23,864	23,864
Friends of Rye Art Gallery				16,216	9,789
				<u>40,080</u>	<u>33,653</u>
<b>TOTAL FUNDS</b>					
				<u>768,241</u>	<u>701,609</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 28th June 2022 and were signed on its behalf by:



T Llanwarne CB - Chairman - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

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

Grant income has been recognised under the performance model.

Grants that do not specify any future performance-related conditions are recorded when the grant proceeds are received or receivable. Any grant that imposes specified future performance-related conditions is recognised only when the performance-related conditions are met. Grants received before the revenue recognition criteria are satisfied are recognised as a liability

Expenditure

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

Tangible fixed assets

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

- |                       |                           |
|-----------------------|---------------------------|
| Freehold property     | - not provided            |
| Fixtures and fittings | - 15% on reducing balance |

Heritage assets

Policy for acquisition, management and disposal of Permanent Collection

The Collection focuses on British Art from the late 19th century to the present, with the major holding being of work from the early to mid twentieth century.

The Trust aims to collect artwork relevant to Collection themes according to available funding, storage space and curatorial care. Themes are as follows:

1. The work is geographically related to Rye and its environs in the South East of England, in particular works that reflect the region's varied landscape, seascape and social history.
2. The work is by artists of regional and national importance associated with the Rye and South East area, (eg. Burra, Nash, Piper, Bratby, Cuming, etc)

1. ACCOUNTING POLICIES - continued

Heritage assets

3. The work falls especially into the categories of Painting (encouraged by the terms of the Trust), Printmaking and Drawing. Works in other media are of interest provided that the above criteria are met.

Policy for acquisition, management and disposal of Permanent Collection (Cont.)

To date the Trust's Board has not had time to fully review works in the Collection which might usefully be disposed of.

Records maintained

The Collection of over 700 items is Catalogued and held on computers at two external addresses and is also in print. In the Catalogue there is a description of each work with name of artist, artist's dates, title of work, date of work, medium, measurements, signing, visual description, provenance and conservation notes as relevant. The Archives are listed either in separate Catalogues or grouped by title and these are also on computer and in print.

Most of the Collection has been photographed in an ongoing programme and copies held on disc. A physical Audit takes place every few years, the last one being in 2015.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

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

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

Investments

Investments are recognised at the Market Value at the year end date. Both recognised and unrecognised gains and losses are taken to the Statement of Financial Activities as calculated at the year end.

Debtors

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

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Volunteers

Given the absence of a reliable measurement basis, the contribution of volunteers is not included as income in charity accounts.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	3,404	2,636
Grants	12,908	19,565
Covid insurance claim	20,151	41,499
	<u>36,463</u>	<u>63,700</u>

	2021	2020
	£	£
Local Council - Covid grant	20,151	10,000
HMRC - Furlough grants	-	9,565
	<u>20,151</u>	<u>19,565</u>

3. TRADING ACTIVITIES

	2021	2020
	£	£
Merchandise sales	21,184	13,317
Other income	1,583	-
	<u>22,767</u>	<u>13,317</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Investment income	1,327	1,218
Deposit account interest	5	32
	<u>1,332</u>	<u>1,250</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Commissions on sales	113,194	49,929
Lecture income	539	478
	<u>113,733</u>	<u>50,407</u>

6. COST OF RAISING FUNDS

Other trading activities

	2021	2020
	£	£
Opening stock	6,075	3,997
Purchases	7,447	6,165
Closing stock	(6,200)	(6,075)
Staff costs	6,696	7,739
Subcontractors	3,067	3,184
Rate and water	(3)	118
Insurance	981	991
Light & heat	483	599
Telephone	243	275
Postage & stationery	576	394
Repairs & renewals	1,374	1,408
Computer expenses	208	279
Cleaning	513	434
Credit card charges	421	236
Security	509	598
Advertising	585	576
Sundries	857	719
Hanging fees	183	412
Depreciation	231	282
	<u>24,246</u>	<u>22,331</u>

Investment management costs

	2021	2020
	£	£
Support costs	<u>580</u>	<u>619</u>

Aggregate amounts

<u>24,826</u>	<u>22,950</u>
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7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Artwork sales	83,141	-	83,141
Professional fees	-	4,615	4,615
Independent examiners fee	-	1,300	1,300
	<u>83,141</u>	<u>5,915</u>	<u>89,056</u>

8. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Investment management costs	580	-	580
Professional fees	-	4,615	4,615
Independent examiners fee	-	1,300	1,300
	<u>580</u>	<u>5,915</u>	<u>6,495</u>

9. INDEPENDENT EXAMINERS REMUNERATION

	2021 £	2020 £
Independent examiners fee	<u>1,300</u>	<u>1,275</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

During the year one trustee - Mr J Day - received £7,332 (2020: £7,200) for his services supplied in the role of interim Gallery Director up until June when he became an employee and resigned as a Trustee. These are included within subcontractor costs for the year.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2021 nor for the year ended 31st December 2020.

11. STAFF COSTS

	2021 £	2020 £
Wages and salaries	36,766	35,393
Social security costs	-	208
Other pension costs	2,622	1,276
	<u>39,388</u>	<u>36,877</u>

The average monthly number of employees information below is from May for 2021 and the comparative average for 2020 is up to July. There were no employees during the period August 2020 to April 2021.

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

	2021	2020
Gallery Director	1	1
Gallery/Sales Assistants	2	1
	<u>3</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	63,700	-	63,700
Charitable activities			
Artwork sales	49,929	-	49,929
Lecture income	478	-	478
Trading activities			
Investment income	13,317	-	13,317
	1,250	-	1,250
Total	<u>128,674</u>	<u>-</u>	<u>128,674</u>
EXPENDITURE ON			
Cost of Raising Funds	22,950	-	22,950
Charitable activities			
Artwork sales	68,732	-	68,732
Professional fees	1,624	-	1,624
Independant examiners fee	1,275	-	1,275
Total	<u>94,581</u>	<u>-</u>	<u>94,581</u>
Net gains on investments	592	-	592
NET INCOME	34,685	-	34,685
Transfers between funds	<u>(150)</u>	<u>150</u>	<u>-</u>
Net movement in funds	34,535	150	34,685
RECONCILIATION OF FUNDS			
Total funds brought forward	633,421	33,503	666,924
TOTAL FUNDS CARRIED FORWARD	<u><u>667,956</u></u>	<u><u>33,653</u></u>	<u><u>701,609</u></u>

13. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1st January 2021	580,850	38,587	619,437
Additions	-	1,477	1,477
Disposals	-	(695)	(695)
	<u>580,850</u>	<u>39,369</u>	<u>620,219</u>
At 31st December 2021	580,850	39,369	620,219
<b>DEPRECIATION</b>			
At 1st January 2021	58,085	30,988	89,073
Charge for year	-	1,361	1,361
Eliminated on disposal	-	(251)	(251)
	<u>58,085</u>	<u>32,098</u>	<u>90,183</u>
At 31st December 2021	58,085	32,098	90,183
<b>NET BOOK VALUE</b>			
At 31st December 2021	<u>522,765</u>	<u>7,271</u>	<u>530,036</u>
At 31st December 2020	<u>522,765</u>	<u>7,599</u>	<u>530,364</u>

The freehold property is used for the purposes of the charity. It is included at valuation, prepared by Dyer Commercial at 30 November 1998, as detailed below, plus improvements since that date as follows:

	£
Stormont Galley valuation	250,000
Eastern Room valuation	45,000
Improvements Year Ended 31 December 2008	112,888
Improvements Year Ended 31 December 2009	109,656
Improvements Year Ended 31 December 2010	43,785
Improvements Year Ended 31 December 2011	9,710
Improvements Year Ended 31 December 2016	8,311
Improvements Year Ended 31 December 2017	1,500
	<u>580,850</u>

A major project to improve the property reached completion during the year ended 31st December 2012 and it was decided to charge depreciation in order to write the property off over 50 years. Since 2012 further smaller improvements have been made with depreciation being charged to keep to the initial assessment of a 50 year life made in 2012.

For the year ended 31 December 2018 the Trustees decided that as property values in the High Street continued to rise in recent years it was unlikely that the property will ever be valued at less than the current holding value. The decision was therefore made not to depreciate the property during this year and going forwards. During 2019 the Trustees appointed a local estate agent to undertake a valuation of the property, which was deemed to lie in excess of £550,000. The Trustees therefore believe that the decision not to depreciate the building further was the correct one.

14. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1st January 2021 and 31st December 2021	<u>23,864</u>
NET BOOK VALUE	
At 31st December 2021	<u>23,864</u>
At 31st December 2020	<u>23,864</u>

The Permanent Collection comprises the Stormont Bequest, the Robert Mackechnie Bequest and other works of art acquired since the formation of the Trust. It consists of over 700 items of fine art and sculpture. In accordance with previously recommended practice, works acquired prior to 1 January 2000 have not been included in the balance sheet. Significant costs would be involved in obtaining a full valuation compared with the additional benefit derived therefrom. The amounts are stated at cost where purchased. It is the Trustee's opinion that where donations of Heritage Assets are made, it is not possible to make a reliable estimation of the asset's fair value and the cost of valuation is likely to exceed the benefits provided by the information. Therefore donated assets are not recognised in the accounts.

Summary analysis of Heritage Asset transactions:

	2021 £	2020 £	2019 £	2018 £	2017 £
Purchases	-	150	-	-	150
Donations	-	-	-	-	-
Total additions	-	<u>150</u>	-	-	<u>150</u>
Impairment	-	-	-	-	-
Disposals	-	-	-	-	-
Proceeds from disposals	-	-	-	-	-

15. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st January 2021	45,399
Additions	104,151
Disposals	(55,923)
Revaluations	2,672
At 31st December 2021	<u>96,299</u>
NET BOOK VALUE	
At 31st December 2021	<u>96,299</u>
At 31st December 2020	<u>45,399</u>

There were no investment assets outside the UK.

15. FIXED ASSET INVESTMENTS - continued

	2021	2020
	£	£
Historical cost of investments	<u>93,169</u>	<u>28,773</u>

The fixed asset investments are managed by Rathbones Investment Management.

16. STOCKS

	2021	2020
	£	£
Finished goods	<u>6,200</u>	<u>6,075</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	788	923
Other debtors	-	43,333
Prepayments	1,556	1,324
	<u>2,344</u>	<u>45,580</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	14,828	8,597
Taxation and social security	6,377	3,936
Other creditors	2,964	2,813
	<u>24,169</u>	<u>15,346</u>

19. MOVEMENT IN FUNDS

	At 1/1/21	Net movement in funds	Transfers between funds	At 31/12/21
	£	£	£	£
Unrestricted funds				
General fund	667,956	66,632	(6,427)	728,161
Restricted funds				
Permanent Collection	23,864	-	-	23,864
Friends of Rye Art Gallery	9,789	-	6,427	16,216
	<u>33,653</u>	<u>-</u>	<u>6,427</u>	<u>40,080</u>
TOTAL FUNDS	<u>701,609</u>	<u>66,632</u>	<u>-</u>	<u>768,241</u>

19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	174,295	(113,882)	6,219	66,632
	<u>174,295</u>	<u>(113,882)</u>	<u>6,219</u>	<u>66,632</u>
TOTAL FUNDS	<u>174,295</u>	<u>(113,882)</u>	<u>6,219</u>	<u>66,632</u>

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	Transfers between funds £	At 31/12/20 £
Unrestricted funds				
General fund	633,421	34,685	(150)	667,956
Restricted funds				
Permanent Collection	23,714	-	150	23,864
Friends of Rye Art Gallery	9,789	-	-	9,789
	<u>33,503</u>	<u>-</u>	<u>150</u>	<u>33,653</u>
TOTAL FUNDS	<u>666,924</u>	<u>34,685</u>	<u>-</u>	<u>701,609</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	128,674	(94,581)	592	34,685
	<u>128,674</u>	<u>(94,581)</u>	<u>592</u>	<u>34,685</u>
TOTAL FUNDS	<u>128,674</u>	<u>(94,581)</u>	<u>592</u>	<u>34,685</u>

Restricted funds

The Permanent Collection is a Restricted Fund. The purpose of the fund is to hold prominent works that the Trust feels are an important to their aims on a permanent basis

The Friends of Rye Art Gallery Fund balance of £9,789 brought forward represents a donation made to the Trust which stipulated that it is to be used for MacKechnie Room improvements. As such it is a Restricted Fund. The transfer during the year of £6,427 was the proceeds of the April 2021 auction where the commitment was made in advance that all proceeds would be used for the refurbishment of Galleries 5,6 and the staircase and/or for expenses incurred for improving conservation.

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2021.