

# ARNOLFINI

EST. 1961



*Image credit Hannah Atkinson*

## Annual Trustees Report and Consolidated Financial Statements for the Year Ended 31<sup>st</sup> July 2021

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## Contents

Chair's Introduction.....	4
Aims and objectives .....	5
Our Mission; Vision and Values .....	5
Charitable Objectives .....	5
Public Benefit.....	5
Structure governance and management.....	6
Executive Team.....	6
Group Structure and Relationships .....	6
Overview of Progress .....	7
Executive Director Introduction.....	7
Key Aims and Drivers .....	8
Our Achievements and Performance this Year .....	8
Building our UWE, Bristol partnership .....	10
Our Future Plans.....	11
Business services improvements .....	11
Managing our finances.....	12
Development, Commercial and Fundraising .....	12
IT systems .....	12
Human Resources.....	13
Licences- café-bar and office space .....	13
Risk Management.....	13
Ashley Clinton Barker Mills Trust.....	14
Overview.....	14
History and relationship.....	14
ACBMT Activity 2020/21 .....	15
Financial review and results for the year .....	15
Financial Aims.....	16
Reserves policy .....	16
Going Concern .....	16
Statement of Trustees' responsibilities.....	18
Independent auditor's report to the members of Arnolfini Gallery CIO.....	19
Consolidated Statement of Financial Activities.....	24
Statement of Financial Activities.....	25
Balance Sheet.....	26
Consolidated Cash Flow Statement.....	27
Notes to the financial statements.....	28

The trustees present their report and the accounts of the charity for the year ended 31 July 2021.

## Reference and administrative details

<b>Registered charity name</b>	<b>Arnolfini Gallery CIO</b>
<b>Charity registration number</b>	<b>311504</b>
<b>Principal and registered office</b>	<b>16 Narrow Quay, Bristol, BS1 4QA</b>

## The trustees

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

<b>L Daly (Chair)</b>	(appointed 1 February 2019)
<b>A Coffey</b>	(appointed 29 <sup>th</sup> March 2021)
<b>A Comley</b>	(appointed 1 February 2019)
<b>M Farmer</b>	(retired 16 <sup>th</sup> November 2020)
<b>R Fleetwood</b>	(appointed 1 February 2019)
<b>G Heron</b>	(appointed 1 February 2019)
<b>A Ilyas</b>	(appointed 11 May 2020)
<b>C Pelleceur</b>	(appointed 11 May 2020)
<b>J Roscoe</b>	(retired 25 <sup>th</sup> January 2021)
<b>W Taylor</b>	(appointed 11 May 2020)

<b>Auditor</b>	Burton Sweet Limited Chartered Accountants & Statutory Auditor Cooper House Lower Charlton Estate Shepton Mallet Somerset, BA4 5QE
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<b>Bankers</b>	Bank of Scotland 21 Prince Street Bristol, BS99 7JG
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<b>Solicitors</b>	Stone King LLP 13 Queen Square Bath, BA1 2HJ
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## **Chair's Introduction**

Welcome to the Arnolfini Gallery's Annual Report & Accounts for the year ending 31 July 2021. As Chair of the Board of Trustees, it humbles me and my fellow board members to see how much has been achieved, by a dedicated, talented, and enthusiastic team, during a year of challenge and uncertainty, never experienced in our lifetime.

Whilst navigating the public restrictions imposed by the global covid-19 pandemic, Arnolfini has continued to deliver a vibrant and thought-provoking series of physical exhibitions and online cultural programming, which has reached far beyond our gallery walls into local and international communities alike. The galleries reopened post lockdown on Thursday 30 July 2020, with a major exhibition by photographer Hassan Hajjaj and the powerful paintings of Chantal Joffe. With his exuberant melee of colours, patterns, appropriated brand logos and found objects, Hassan invited us on a much-needed exploration of global culture across continents, engaging us in the context of our wider world following our period of stringent home-based lockdown.

Due to the agility and forward planning of our team, the exhibition programme flexed as restrictions contracted and released throughout the year, working with artists to adapt their shows and opening times as we moved into Autumn. Although further restrictions meant the galleries were physically closed for much of the winter in 2020, the time away from daily operations enabled plans for our Summer 2021 blockbuster Frank Bowling – Land of Many Waters to be realised in full technicolour splendour and for significant relationships with groups such as the St Pauls elders to be strengthened.

The Arnolfini partnership with UWE Bristol has deepened in 2020/21 despite the significant disruption of the pandemic for both organisations. This relationship is deeply rooted in a shared vision to create a 21<sup>st</sup> century cultural entity, in service of education (creative and non-creative), leading in the civic space for communities and cultural engagement as well as being innovative and pioneering in its contemporary arts practice. The relationship with UWE Bristol is now symbiotic, with Arnolfini delivering placemaking/ public art within the main University campus, showcasing UWE students for their final year degree show and offering student work placements associated with the exhibition and live programme, as well as sharing technical teams who create a better teaching and public environment, and offering joint activities which maximise opportunity and reach.

Due to the very positive and professional response of the staff and the board of trustees during the pandemic, I am proud and pleased to report that Arnolfini has ended the year in a financially stable position, which ensures we have a firm foundation on which to build our future and more immediately celebrate 60 years of Arnolfini in 2022.

I want to thank all the staff, the trustees and our volunteers for being committed, passionate and unwaveringly resilient throughout the last 12-18 months. And I encourage anyone who has engaged with this report, to reach out and get involved in supporting Arnolfini in whatever way you can. We are always keen to welcome new volunteers, trustees and partners and we look forward to working with as many people and organisations (existing and new) as possible during this forthcoming milestone year.

With many thanks

Lhosa Daly



*Hassan Hajjaj The Path at Arnolfini 2020. Photo by Lisa Whiting Photography for Arnolfini. All rights reserved.*

## **Aims and objectives**

### **Our Mission; Vision and Values**

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

### **Charitable Objectives**

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

### **Public Benefit**

In reviewing the aims and objectives, and in planning forthcoming activities, the trustees have considered the Charity Commission's general guidance including the guidance on public benefit and fee charging. Entrance to our galleries and exhibitions is free to all visitors. In determining the ticket pricing for events staged in the auditorium and related spaces, careful consideration is given to the affordability, audience access and the organisation's aims for the development of their engagement. Concessionary ticket prices are offered for the majority of events programmed by Arnolfini. In addition, Arnolfini works with a range of partners to create and deliver projects in a number of community and partnership settings.

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## **Structure governance and management**

### **Trustees**

The Governing body of the Charity is the Board of Trustees. The Board meets six times per year. The Board elects a Chair for a term of up to three years, which may be renewed once.

The Board currently consists of 8 trustees, which can be increased to a maximum of 12. Trustee appointments are for a term of up to three years and a trustee may ordinarily serve a maximum of two terms. We are actively working on Trustee succession planning, to ensure the needs of the organisation are met and to enable a board of diverse skills and backgrounds to be maintained and developed.

The Board of Trustees is responsible for the overall governance of the Charity. Trustees are recruited for their expertise and experience; a skills audit is conducted annually.

New trustees receive an induction pack and are inducted to the workings of the Charity by the Executive. There is an annual update for trustees to keep them abreast of changes in relevant law and practice.

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

### **Executive Team**

The executive team at Arnolfini is led by the Executive Director, Gary Topp.  
The leadership team in 20/21 was:

Rosie Ashby: Head of Visitor Services

Sara Blair: Head of Marketing & Communications

Marie Voller: Head of Business Services

### **Group Structure and Relationships**

The Charity converted to a Charitable Incorporated Organisation in 2019/20 with UWE Bristol becoming the sole member. As a result of this, the management arrangements for Bush House are being facilitated by the University and Bush House Building Services Ltd, (a company previously constituted to manage building services jointly between the Charity and UWE Bristol) has been dissolved.

Arnolfini Trading Limited is a wholly owned subsidiary of the Charity. In 2020-21, the trading company recorded the financial transactions arising from sales in the bookshop, private hires, tenancy rentals and income received from the cafe bar which continues to be operated by an external operator, the Bristol

Brewing Company Limited (trading as the Bristol Beer Factory).

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

The Ashley Clinton and Barker-Mill Trust (ACBMT) continued to provide on-going financial support to Arnolfini of £52,500 during 2020-21 in the form of a grant.

## **Overview of Progress**

### **Executive Director Introduction**

2020/2021 was a challenging, but ultimately successful, year for Arnolfini as we navigated the impact of the COVID -19 restrictions on our charitable and commercial operations. As with all public facing organisations, we had to respond to government guidelines which limited our opening hours and operational activities, but these did not prevent us delivering a consistent in-person and online cultural programme whilst continuing to develop the organisation in line with our business plan and vision.

We were able to achieve this through the remarkable energy, adaptability and resilience of the staff team and with the oversight and support of our Trustees.

I am also grateful to my many colleagues at UWE, Bristol for their support and commitment with developing our partnership during an extraordinary year for all of us.

Along the way there were many cultural highlights, and this report shares a few of those in the text below. Our year of exhibitions was bookended by two amazing painters Chantal Joffe and Frank Bowling. It was amazing to see our galleries full of paintings again and I will never forget witnessing Frank entering the galleries and carefully considering his own work on the walls. This was a special moment in Arnolfini's journey.

It has also been a joy to see our relationships with key communities and key partners flourish as our spaces are filled with workshops, activities and creativity on a regular basis. Many of our partners are mentioned below and my huge thanks and gratitude to them for working with us throughout the year. Your contribution to Arnolfini is immeasurable, joyful and always challenging. Thank you.

And finally, a thank you to our audiences and visitors. In this stop/ start COVID year your support was more welcome than ever. You immediately responded to the need to pre book your visit, you donated and supported us at unprecedented levels and your words of support and feedback were a constant delight. Thank you too.

Gary Topp, Executive Director.

### **Key Aims and Drivers**

The central aim for Arnolfini in 2020/2021 was to keep pursuing our business plan, new staff structure and our approach to cultural programming whilst responding to the shifting requirements of the COVID 19 pandemic. This required the whole organisation to be highly adaptable and flexible, often in new ways and in exceptional circumstances.

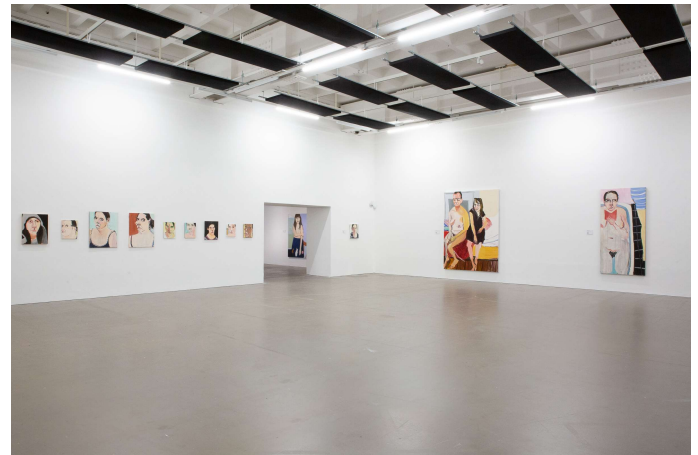
We made significant progress in our exhibition and engagement programmes, learnt a lot about online delivery, adapted our in-person operation to meet COVID -19 requirements and continued to improve our financial and business service operations.

The year was also marked by a growing set of projects and relationships with UWE, Bristol and a stronger integration with the Faculty for Arts, Creative Industries and Education.

### **Our Achievements and Performance this Year**

The year continued our determination to animate as many of Arnolfini's spaces and relationships as possible and we adopted a process of opening our doors to the public whenever the COVID-19 restrictions allowed. This necessitated a new booking system, social distancing protocols and a stop- start operational context but the public response to our work remained strong with high levels of attendance, engagement and positive feedback.

We were able to adapt our major visual arts exhibitions and the year began with the highly popular, in-house curated exhibition with Chantal Joffe. This summer exhibition and associated book was enthusiastically welcomed by our visitors and marked a further return to Arnolfini hosting and delivering high quality exhibitions in a consistent way. Chantal Joffe is regarded as a major force in contemporary figurative painting and her subject matter (autobiographical self-portraits and family life) facilitated a warm and reflective audience response that was in keeping with the mood of the summer. The show also marked a return to painting at Arnolfini after many years and this was noted and enjoyed by many visitors and commentators.



*Chantal Joffe For Esme - with Love and Squalor  
Arnolfini 2020. Photo by Lisa Whiting Photography  
for Arnolfini. All rights reserved*



*Jo Spence From Fairy Tales to Phototherapy image by Lisa Whiting for Arnolfini. All rights reserved.*

Our Autumn exhibitions, Jo Spence and A Picture of Health, also attracted considerable interest despite the COVID restrictions severely limiting their opening times and we reworked the programme to keep them open as the lockdown restrictions eased. This exhibition, produced with the support and insight of James and Claire Hyman (who loaned the work) also proved to be a timely reflection on the power of photography to tell important stories in challenging times. Jo Spence was a pioneer of the idea of photography as a tool for personal and social change and the exhibition coincided with the publication of her PHD thesis that brilliantly pre-empted many of the ways that arts and health are now understood, and her invention of the term 'photo-therapy' has been widely acknowledged as ground-breaking. The many contemporary artists in 'Picture of Health' continued this theme and Heather Agyepong's Cakewalk series captured an important cultural shift in light of the global anti-racism movement.

Our summer 2021 exhibition, Frank Bowling- Land of Many Waters, marked a significant post lockdown moment in our continued re-emergence as a major UK gallery for contemporary arts. This in-house exhibition, and accompanying book, proved a remarkable summer success with resoundingly positive visitor numbers and feedback. Frank Bowling is widely recognised as a modern master and we were delighted to work with his studio and family, and his gallery Hauser and Wirth, to present a major exhibition largely drawn from his recent years in the studio. This large scale, exuberant and magnificently colourful exhibition filled the Arnolfini with a post lockdown joy that generated a very upbeat environment as we increased the activities and visitor numbers throughout the summer. The show also attracted considerable media coverage and wider interest.

Whilst our visual arts exhibitions will always be the 'signature' events for Arnolfini our goal is to grow the range and breadth of our performances, talks, events and screenings, and to place community activities and strong engagement practice at the heart of the organisation. Inevitably live events were challenging in 2020/2021 but we continued to build partnerships and put in place numerous plans. Our community engagement work developed significantly during the year with a clear commitment to developing and delivering a high-quality programme with key third sector partners in a sustained manner. Our key partners, and the resulting projects, included creativeShift CIC (in line with our Centre for Wellbeing approach), Golden Key, Bridges for Communities, AIM and many others all supporting our commitment to accessibility and to running an organisation for as many communities and interests as possible.



*Colour Colab at Arnolfini 2021. Image by Alice Hendy for Let's Make Art and Arnolfini. All rights reserved.*

This deliberately eclectic approach, both populist and challenging in equal measure, continued to define the future direction for Arnolfini's cultural programming. In July 2021 we were also able to reopen the second-floor spaces (after several years of closure) and this further facilitated our ability to show more work and create additional community and family spaces.

Whilst the cultural programme work remains the public face of Arnolfini it is supported by a set of business management systems that continued to innovate and grow during 2020/21 and adapted swiftly to the many new and different resource opportunities and protocols that COVID -19 required.

### **Building our UWE, Bristol partnership**



This year marked many further developments for the Arnolfini/ UWE Bristol partnership with an increasing range of projects that included:

- A Major Public Art project- at the new accommodation block at Frenchay campus. Arnolfini will extend its UWE Bristol partnership and offsite programming through a significant placemaking/ public art project on the main University campus in 2022/2023.
- Further establishing the annual student showcase in the Arnolfini galleries- hosting the end of year degree show or equivalent.

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- Rolling opportunities to use various 2<sup>nd</sup> floor spaces for showcasing student, community and academic work.
  - Arnolfini staff contribute professional practice lectures and tours across a wide range of faculty programmes- ongoing.
  - MA Curating: Arnolfini continues to be a major professional practice intern partner with three student placements in 2020/2021.
  - Multiple project activity with the Centre for Fine Print Research- that encompass talks, exhibition collaborations and special commissions, joint symposia and high-profile public events.
  - Open door policy for multiple student work placements associated with the exhibition and live programme to enhance student experience and embed ongoing activities.
  - Enhanced collaboration between Arnolfini and UWE Bristol technical teams to build joint knowledge, improve technical infrastructure and create a better teaching and public environment to allow increased activity.
  - Drawing-related collaborations: to create a growing suite of participatory projects for public and students relating to drawing including family activities, life drawing classes, showcases and teaching opportunities.
  - Equality, diversity and inclusion – joint activities that join up UWE Bristol projects with Arnolfini projects to maximise reach and opportunity.

The Executive Director continued his role as the Inaugural Arnolfini Fellow at UWE, Bristol.

### **Our Future Plans**

The disruptions of COVID-19 and forced closures of the building also created an opportunity to forward plan and work in detail on many aspects of organisational culture and specific areas of expertise (from VAT to international arts practice). This allowed for a further development of the staff team and created additional planning opportunities in preparation for a post COVID operating environment. Consequently, the end of the 2020/21 year has been characterised by an organisation with increased resilience, embedded expertise across many areas of the business, and a sharper strategic purpose matched by increased delivery capability.

### **Business services improvements**

2020/21 continued the wide-ranging review of all business systems, income opportunities, IT infrastructure and HR functions to move the organisation onto a long-term stable footing. Throughout the year this was characterised by a determination to modernise our systems and processes to underpin a more agile and lower overhead set of core costs to give maximum opportunity to invest in our cultural programming whilst preventing any cost escalation.

## **Managing our finances**

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

## **Development, Commercial and Fundraising**

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

In late 2019, we recruited a Development Manager, supporting our Executive Director and Head of Business Services, to lead on the development of all income strands. This plan was pivoted in 20/21 to respond to the COVID-19 circumstances and the successful securing of various support packages from local and national government alongside those from the Arts Council. We were also successful in the period, in securing grant funding toward our engagement projects and activities, ensuring a broader range of participants are involved in the co-creation of our programme, whilst reaching new audiences through the development of a strong network of partners which reaches beyond the cultural sector.

20/21 also enabled us to explore our engagement with individual supporters, an area which had been under-activated at Arnolfini for some years. We successfully engaged more than 3,000 new supporters with a campaign for donations at £3, £5 and £10, whilst also identifying and re-engaging a small group of loyal donors who have been instrumental in supporting Arnolfini over the past two decades.

Another success was the development of a digital commercial product which engaged corporate prospects with our programme - we established a partnership with a significant financial services firm, delivering the first in a series of exclusive digital previews of our exhibition programme which we plan to dovetail to an in-person iteration when possible.

## **IT systems**

Arnolfini's IT system was almost ten years old, desktop based, and lacked the capabilities required for a small dynamic high output team. In early 2020, coinciding with the challenges of 'lockdown', we were able to invest in a completely new laptop/ mobile cloud-based operating system and to upgrade our building and wi-fi infrastructure. This update has led to more refined and efficient systems offering greater flexibility, also laying the groundwork for more ambitious projects such as the implementation of a cloud based system which captures audience data in order to improve visitor experience.

## **Human Resources**

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

## **Licences- café-bar and office space**

A key part of the 2020/21 business plan included the review of the current use and licencing of space at Arnolfini. This review was pre-empted by the impact of COVID and the decision by tenants to relocate to home working. This facilitated the plan to re-open spaces for public and cultural use. One of the spaces has now been refurbished as the UWE, Bristol Virtual Reality lab as both a teaching space and to introduce a new creative art form expertise into the organisation in recognition of its growing importance in contemporary arts practice.

The café bar was significantly impacted by COVID, and we worked with our licensee, Bristol Brewing Company, throughout the year to maximise opportunities in a very dynamic operating environment. Whilst this clearly impacted sales we successfully retained and secured the future operating viability of the café bar.

## **Risk Management**

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

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

- The ongoing delivery of the three-year funding arrangement with Arts Council England in line with Bristol Visual Arts Review and business plan.
- Operational and strategic delivery arrangements with UWE, Bristol for management of Bush House

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

## **Covid -19 and risk management**

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



## **Ashley Clinton Barker Mills Trust**

### **Overview**

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

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

### **History and relationship**

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

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

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

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

## **ACBMT Activity 2020/21**

This annual report details the investment received from the Trust: Quarterly payments derived from investment income totalling £52.5k. The funds received contributed towards executive management costs as well as the development of our fundraising platforms. In the frame of Covid-19 and mindful of changing audience confidences, we invested in a donation station allowing us to take contactless payment to boost our donations and encourage future engagement. The fund also helped with the implementation of an online booking system and further development of our website.

## **ACBMT trustees**

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

T Sheppard (Chair)  
G Clements  
R Gibbs (appointed 8<sup>th</sup> July 2021)  
F Hallworth  
J Myatt  
D Price  
A Southall

## **Financial review and results for the year**

The total income of the Group was £1,164k (2020: £1,438k) and the total net gains on investments was £290k (2020: £187k), of which £1,141k (2020: £1,725k) was unrestricted. Total expenditure was £842k (2020: £1,580k) leaving net income on all funds of £719k (2020: £384k).

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The trading subsidiary's turnover in 2020/21, which includes private hire income and the operation of the café bar and the bookshop, was £158k (2020: £476k). After related expenditure, the subsidiary returned a profit of £48k (2020: profit £212k).

### **Financial Aims**

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

### **Reserves policy**

Reserves Policy – The free reserves of the charity (the unrestricted funds of the charity less any funds designated, committed or represented by tangible fixed assets used by the charity) are intended to be maintained between three and six months of expenditure. As at the period end, this free reserve target equates to between £351,136 and £702,272 equating to 3 – 6 months expenditure which is based on forecasted future expenditure levels. At the year-end, free reserves stood at £821,012 (General funds of £978,487 less tangible fixed assets within general funds of £157,471 and investments of £4). The free reserves as at 31 July 2021 are above the target level set and reflect a business plan commitment to improving the resilience of the organisation and contributing to a number of small business and capital improvements that are currently in the planning stage.

### **Going Concern**

Arnolfini has continued to perform well, meet its agreed aims and those of its key stakeholders, and maintained a strong financial position despite the challenges of the COVID-19 pandemic. It also continues to grow and deepen its relationship with UWE, Bristol and these factors mean the Trustees consider it appropriate to adopt the Going Concern basis.

### **Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

Designated funds are unrestricted funds of the Charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which have been specified to be solely used for particular areas of the Charity's work.

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## **Our Fundraising**

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

Income generation activities (earned or voluntary) carried out by Arnolfini Gallery CIO will comply with all relevant laws.

- Any communications to the public made in the course of carrying out income generation activities shall be truthful and non-deceptive.
- All monies raised via fundraising activities or earned through our commercial activities will be for the stated purpose of the appeal (if applicable) and will comply with the organisation's stated mission and purpose.
- Earned income through commercial activities will be reinvested in the charitable work of the Arnolfini.
- All personal information collected by Arnolfini is confidential and is not for sale or to be given away or disclosed to any third party without consent.
- Arnolfini will gather and store data in line with the changes in law for GDPR effective May 25<sup>th</sup> 2018.
- Nobody directly or indirectly employed by or volunteering for Arnolfini shall accept commissions, bonuses, or payments for fundraising activities on behalf of the organisation.
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of Arnolfini.
- Financial contributions will only be accepted from companies, organisations, and individuals the Board considers ethical.
- Arnolfini will not accept voluntary or earned income from any persons or organisations who are:
  - Engaged with criminal activity
  - Are affiliated with political or social activities which marginalise or otherwise harm projected groups
  - Would lead to a decline in support for the Arnolfini, and so risk a fall in the resources available to fund our work

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

During the period 2020-21, Arnolfini Gallery CIO did not receive any complaints about fundraising activities.

**Statement of Trustees' responsibilities**

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 group and of the income and expenditure of the charity and group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report, including the strategic report, was approved by the Board of Trustees on 29 November 2021 and signed on their behalf by:

Registered office:  
16 Narrow Quay Bristol  
BS1 4QA

L DALY  
(Chair of the Board of Trustees)

## **Independent auditor's report to the members of Arnolfini Gallery CIO**

### **Opinion**

We have audited the financial statements of Arnolfini Gallery CIO (the parent "Charity") and its subsidiary (the 'Group') for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of the Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and the Charity's affairs at 31 July 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis of opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

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

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

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

**Responsibilities to the trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the Group and the Charity, including the Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance through the audit.

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We assessed the susceptibility of the Group and the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the Group and the Charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the Group and the Charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Burton Sweet Limited  
Statutory Auditor  
The Clock Tower  
5 Farleigh Court  
Old Weston Road  
Flax Bourton  
Bristol BS48 1UR

Date: 29 November 2021

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 12 months to 31 July 2021 £	Total Funds 16 months to 31 July 2020 £
<b>Income from:</b>						
Sponsorships, donations and Charitable activities	2	886,709	130,141	-	1,016,850	1,083,325
Charitable activities	3	17,059	-	-	17,059	23,988
Investments	4	77,180	-	-	77,180	105,794
Other trading income	5	160,121	-	-	160,121	564,105
<b>Total income</b>		<b>1,141,069</b>	<b>130,141</b>	<b>-</b>	<b>1,271,210</b>	<b>1,777,212</b>
<b>Expenditure on:</b>						
Raising funds	6	122,940	-	19,052	141,992	372,784
Charitable activities	7	584,626	115,179	-	699,805	1,207,577
<b>Total expenditure</b>		<b>707,566</b>	<b>115,179</b>	<b>19,052</b>	<b>841,797</b>	<b>1,580,361</b>
Net gains on investments		-	-	289,943	289,943	186,670
<b>Net income/(expenditure)</b>	<b>9</b>	<b>433,503</b>	<b>14,962</b>	<b>270,891</b>	<b>719,356</b>	<b>383,521</b>
Fund transfers	23	(10,000)	-	10,000	-	-
<b>Net movement in funds before taxation</b>		<b>423,503</b>	<b>14,962</b>	<b>280,891</b>	<b>719,356</b>	<b>383,521</b>
<b>Tax on profit of ordinary activities</b>		<b>(94)</b>	<b>-</b>	<b>-</b>	<b>(94)</b>	<b>(495)</b>
<b>Net movement in funds</b>		<b>423,409</b>	<b>14,962</b>	<b>280,891</b>	<b>719,262</b>	<b>383,026</b>
<b>Total funds at 1 August 2020</b>	<b>23</b>	<b>4,155,574</b>	<b>17,551</b>	<b>2,403,528</b>	<b>6,576,653</b>	<b>6,193,627</b>
<b>Total funds at 31 July 2021</b>	<b>23</b>	<b>4,578,983</b>	<b>32,513</b>	<b>2,684,419</b>	<b>7,295,915</b>	<b>6,576,653</b>

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

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

The notes on pages 28 to 41 form part of these financial statements  
See note 13 for fund-accounting comparative figures

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 12 months to 31 July 2021 £	Total Funds 16 months to 31 July 2020 £
<b>Income from:</b>						
Sponsorships, donations and Charitable activities	2	940,001	130,141	-	1,070,142	1,307,920
	3	17,059	-	-	17,059	23,988
Investments	4	77,180	-	-	77,180	105,674
<b>Total income</b>		<u>1,034,240</u>	<u>130,141</u>	<u>-</u>	<u>1,164,381</u>	<u>1,437,582</u>
<b>Expenditure on:</b>						
Raising funds	6	-	-	19,052	19,052	21,151
Charitable activities	7	584,626	115,179	-	699,805	1,207,577
<b>Total expenditure</b>		<u>584,626</u>	<u>115,179</u>	<u>19,052</u>	<u>718,857</u>	<u>1,228,728</u>
Net gains on investments		-	-	289,943	289,943	186,670
<b>Net income/(expenditure)</b>	9	<u>449,614</u>	<u>14,962</u>	<u>270,891</u>	<u>735,467</u>	<u>395,524</u>
Fund transfers	23	(10,000)	-	10,000	-	-
<b>Net movement in funds</b>		<u>439,614</u>	<u>14,962</u>	<u>280,891</u>	<u>735,467</u>	<u>395,524</u>
<b>Total funds at 1 August 2020</b>	23	<u>3,942,977</u>	<u>17,551</u>	<u>2,403,528</u>	<u>6,364,056</u>	<u>5,968,532</u>
<b>Total funds at 31 July 2021</b>	23	<u>4,382,591</u>	<u>32,513</u>	<u>2,684,419</u>	<u>7,099,523</u>	<u>6,364,056</u>

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

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

The notes on pages 28 to 41 form part of these financial statements  
See note 13 for fund-accounting comparative figures

	Note	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
<b>Fixed assets</b>					
Tangible assets	14	3,572,773	3,561,577	3,555,331	3,551,652
Investments	15	2,684,419	2,684,421	2,403,530	2,403,532
		<u>6,257,192</u>	<u>6,245,998</u>	<u>5,958,861</u>	<u>5,955,184</u>
<b>Current assets</b>					
Stocks	16	29,465	-	37,978	-
Debtors	17	40,015	18,870	55,947	29,846
Cash at bank and in hand		1,167,517	1,078,776	737,871	656,493
		<u>1,236,997</u>	<u>1,097,646</u>	<u>831,796</u>	<u>686,339</u>
<b>Liabilities</b>					
Creditors : amounts falling due within one year	18	(198,274)	(244,121)	(214,004)	(277,467)
<b>Net current assets</b>		<u>1,038,723</u>	<u>853,525</u>	<u>617,792</u>	<u>408,872</u>
<b>Total assets less current liabilities</b>		<u>7,295,915</u>	<u>7,099,523</u>	<u>6,576,653</u>	<u>6,364,056</u>
<b>Net assets</b>		<u>7,295,915</u>	<u>7,099,523</u>	<u>6,576,653</u>	<u>6,364,056</u>
<b>FUNDS</b>					
<b>Unrestricted funds</b>					
Share Capital	23	-	-	2	2
General funds	23	1,174,877	978,485	719,042	506,445
Designated funds	23	3,404,106	3,404,106	3,436,530	3,436,530
<b>Restricted funds</b>	23	32,513	32,513	17,551	17,551
<b>Endowment funds</b>	23	2,684,419	2,684,419	2,403,528	2,403,528
<b>Total funds</b>		<u>7,295,915</u>	<u>7,099,523</u>	<u>6,576,653</u>	<u>6,364,056</u>

These financial statements were approved by the Trustees on 29 November 2021 and are signed on their behalf by:

L Daly  
Chair of Trustees

The notes on pages 28 to 41 form part of these financial statements

	Note	12 months to 31 July 2021 £	16 months to 31 July 2020 £
<b>Net cash inflow from operating activities</b>	<b>20</b>	424,977	137,291
<b>Non-operational cash flows:</b>			
<b>Investing activities</b>			
Payments for tangible fixed assets		(62,513)	(50,096)
Proceeds from sales of tangible fixed assets		-	39
Interest received		-	2,594
Investment income		77,180	103,200
Acquisition of other investments		(10,000)	(78,832)
Disposal of other investments		2	153,157
		<u>4,669</u>	<u>130,062</u>
<b>Net cash inflow/(outflow) for the period</b>	<b>21</b>	<u><u>429,646</u></u>	<u><u>267,353</u></u>

**Cashflow Restrictions**

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

## 1 Accounting policies

### Accounting convention

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

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

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

### Basis of consolidation

The Consolidated Statement of Financial Activities (SOFA), Consolidated Balance Sheet and Consolidated Cash Flow Statement, consolidate the financial statements of the Charity and its subsidiary, Arnolfini Trading Limited. The results of the subsidiary are consolidated on a line by line basis.

### Income

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

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

#### Donations and gifts

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

#### Grants receivable

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

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

### Expenditure

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

#### Cost of raising funds

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

#### Costs of charitable activities

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

#### Governance costs

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

### Pension costs

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

### Tangible fixed assets

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

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

### Taxation

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the group operates and generates taxable income.

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**1 Accounting policies (continued)****Stocks**

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell.

At each reporting date, stocks are assessed for impairment, if stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in the profit or loss.

**Impairment of fixed assets**

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

**Investments**

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

**Fund accounting**

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

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

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

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

**Operating lease agreements**

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

**Defined contribution plans**

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

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

**Cash and cash equivalents**

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

**2 Income from: Sponsorships, donations and grants**

<b>Group &amp; Charity</b> <b>Year ended 31 July 2021</b>	<b>Unrestricted Funds</b> <b>£</b>	<b>Restricted Funds</b> <b>£</b>	<b>Endowment Funds</b> <b>£</b>	<b>Total Funds 2021</b> <b>£</b>
<b>Donations</b>				
Donations	19,125	-	-	19,125
Trusts and Foundations	-	15,937	-	15,937
Museum tax relief	60,789	-	-	60,789
Gift aid from Arnolfini Trading Ltd	64,512	-	-	64,512
	<u>144,426</u>	<u>15,937</u>	<u>-</u>	<u>160,363</u>
<b>Government grants receivable</b>				
Arts Council - Visual Arts in Bristol	700,000	-	-	700,000
Arts Council - Culture Recovery Fund	-	114,204	-	114,204
Bristol City Council	42,107	-	-	42,107
Job Retention Scheme	52,968	-	-	52,968
	<u>795,075</u>	<u>114,204</u>	<u>-</u>	<u>909,279</u>
<b>Corporate sponsorships</b>	500	-	-	500
<b>Charity sub-total</b>	<u>940,001</u>	<u>130,141</u>	<u>-</u>	<u>1,070,142</u>
Job Retention Scheme	11,220	-	-	11,220
Inter-group eliminations	(64,512)	-	-	(64,512)
<b>Group total</b>	<u>886,709</u>	<u>130,141</u>	<u>-</u>	<u>1,016,850</u>

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

<b>Group &amp; Charity</b> <b>Period ended 31 July 2020</b>	<b>Unrestricted Funds</b> <b>£</b>	<b>Restricted Funds</b> <b>£</b>	<b>Endowment Funds</b> <b>£</b>	<b>Total Funds 2020</b> <b>£</b>
<b>Donations</b>				
Donations	10,178	-	-	10,178
Trusts and Foundations	-	52,150	-	52,150
Gift aid from Arnolfini Trading Ltd	224,595	-	-	224,595
	<u>234,773</u>	<u>52,150</u>	<u>-</u>	<u>286,923</u>
<b>Government grants receivable</b>				
Arts Council	953,613	-	-	953,613
Job Retention Scheme	67,384	-	-	67,384
	<u>1,020,997</u>	<u>-</u>	<u>-</u>	<u>1,020,997</u>
<b>Charity sub-total</b>	<u>1,255,770</u>	<u>52,150</u>	<u>-</u>	<u>1,307,920</u>
Inter-group eliminations	(224,595)	-	-	(224,595)
<b>Group total</b>	<u>1,031,175</u>	<u>52,150</u>	<u>-</u>	<u>1,083,325</u>

**3 Income from: Charitable activities**

<b>Group &amp; Charity</b> <b>Year ended 31 July 2021</b>	<b>Unrestricted Funds</b> <b>£</b>	<b>Restricted Funds</b> <b>£</b>	<b>Endowment Funds</b> <b>£</b>	<b>Total Funds 2021</b> <b>£</b>
Exhibitions	745	-	-	745
Learning and participation	15,400	-	-	15,400
Other income	914	-	-	914
<b>Charity and Group total</b>	<u>17,059</u>	<u>-</u>	<u>-</u>	<u>17,059</u>
<b>Group &amp; Charity</b> <b>Period ended 31 July 2020</b>	<b>Unrestricted Funds</b> <b>£</b>	<b>Restricted Funds</b> <b>£</b>	<b>Endowment Funds</b> <b>£</b>	<b>Total Funds 2020</b> <b>£</b>
Exhibitions	8,740	-	-	8,740
Learning and participation	3,791	-	-	3,791
Other income	11,457	-	-	11,457
<b>Charity and Group total</b>	<u>23,988</u>	<u>-</u>	<u>-</u>	<u>23,988</u>

**4 Income from: Investments**

<b>Group &amp; Charity</b> <b>Year ended 31 July 2021</b>	<b>Unrestricted Funds</b> <b>£</b>	<b>Restricted Funds</b> <b>£</b>	<b>Endowment Funds</b> <b>£</b>	<b>Total Funds</b> <b>2021</b> <b>£</b>
Income from UK listed investments	77,180	-	-	77,180
<b>Charity and Group total</b>	<b>77,180</b>	<b>-</b>	<b>-</b>	<b>77,180</b>
<b>Group &amp; Charity</b> <b>Period ended 31 July 2020</b>	<b>Unrestricted Funds</b> <b>£</b>	<b>Restricted Funds</b> <b>£</b>	<b>Endowment Funds</b> <b>£</b>	<b>Total Funds</b> <b>2020</b> <b>£</b>
Income from UK listed investments	103,200	-	-	103,200
Bank interest received	2,474	-	-	2,474
<b>Charity sub-total</b>	<b>105,674</b>	<b>-</b>	<b>-</b>	<b>105,674</b>
Bank interest received	120	-	-	120
<b>Group total</b>	<b>105,794</b>	<b>-</b>	<b>-</b>	<b>105,794</b>

**5 Income from: Other trading activities**

<b>Group</b> <b>Year ended 31 July 2021</b>	<b>Unrestricted Funds</b> <b>£</b>	<b>Restricted Funds</b> <b>£</b>	<b>Endowment Funds</b> <b>£</b>	<b>Total Funds</b> <b>2021</b> <b>£</b>
Café bar income	41,767	-	-	41,767
Private hire and conferencing	2,143	-	-	2,143
Bookshop income	102,461	-	-	102,461
Other income	13,750	-	-	13,750
<b>Group total</b>	<b>160,121</b>	<b>-</b>	<b>-</b>	<b>160,121</b>
<b>Group</b> <b>Period ended 31 July 2020</b>	<b>Unrestricted Funds</b> <b>£</b>	<b>Restricted Funds</b> <b>£</b>	<b>Endowment Funds</b> <b>£</b>	<b>Total Funds</b> <b>2020</b> <b>£</b>
Café bar income	118,279	-	-	118,279
Private hire and conferencing	84,846	-	-	84,846
Bookshop income	272,390	-	-	272,390
Other income	88,590	-	-	88,590
<b>Group total</b>	<b>564,105</b>	<b>-</b>	<b>-</b>	<b>564,105</b>

**6 Raising Funds**

<b>Group &amp; Charity</b> <b>Year ended 31 July 2021</b>	<b>Unrestricted Funds</b> <b>£</b>	<b>Restricted Funds</b> <b>£</b>	<b>Endowment Funds</b> <b>£</b>	<b>Total Funds</b> <b>2021</b> <b>£</b>
Investment management	-	-	19,052	19,052
<b>Charity sub-total</b>	<b>-</b>	<b>-</b>	<b>19,052</b>	<b>19,052</b>
Direct costs	59,633	-	-	59,633
Staff costs	55,677	-	-	55,677
Support costs (see note 8)	7,630	-	-	7,630
<b>Group total</b>	<b>122,940</b>	<b>-</b>	<b>19,052</b>	<b>141,992</b>
<b>Group &amp; Charity</b> <b>Period ended 31 July 2020</b>	<b>Unrestricted Funds</b> <b>£</b>	<b>Restricted Funds</b> <b>£</b>	<b>Endowment Funds</b> <b>£</b>	<b>Total Funds</b> <b>2020</b> <b>£</b>
Investment management	-	-	21,151	21,151
<b>Charity sub-total</b>	<b>-</b>	<b>-</b>	<b>21,151</b>	<b>21,151</b>
Direct costs	207,893	-	-	207,893
Staff costs	124,400	-	-	124,400
Support costs (see note 8)	19,340	-	-	19,340
<b>Group total</b>	<b>351,633</b>	<b>-</b>	<b>21,151</b>	<b>372,784</b>

**7 Charitable activities: Expenditure by activity type**

<b>Group &amp; Charity</b> <b>Year ended 31 July 2021</b>	<b>Direct</b> <b>Costs</b> <b>£</b>	<b>Staff</b> <b>Costs</b> <b>£</b>	<b>Support</b> <b>Costs</b> <b>£</b>	<b>Total Funds</b> <b>2021</b> <b>£</b>
Provision of gallery services	196,356	398,032	105,417	699,805
<b>Charity and Group total</b>	<b>196,356</b>	<b>398,032</b>	<b>105,417</b>	<b>699,805</b>
<b>Group &amp; Charity</b> <b>Period ended 31 July 2020</b>	<b>Direct</b> <b>Costs</b> <b>£</b>	<b>Staff</b> <b>Costs</b> <b>£</b>	<b>Support</b> <b>Costs</b> <b>£</b>	<b>Total Funds</b> <b>2020</b> <b>£</b>
Provision of gallery services	558,977	491,822	156,778	1,207,577
<b>Charity and Group total</b>	<b>558,977</b>	<b>491,822</b>	<b>156,778</b>	<b>1,207,577</b>

**8 Support and governance costs**

<b>Year ended 31 July 2021</b>	<b>Group</b> <b>Raising</b> <b>funds</b> <b>£</b>	<b>Charity</b> <b>Raising funds</b> <b>£</b>	<b>Group</b> <b>Charitable</b> <b>activities</b> <b>£</b>	<b>Charity</b> <b>Charitable</b> <b>activities</b> <b>£</b>
<b>Support costs</b>				
HR Administration	-	-	4,012	4,012
Licences, memberships and subscriptions	-	-	(1,456)	(1,456)
Office costs	2,470	-	6,515	6,515
Bank Charges	1,414	-	1,663	1,663
Depreciation	2,003	-	43,068	43,068
Marketing costs	280	-	14,361	14,361
<b>Governance costs</b>				
Audit and accountancy fees	1,463	-	10,382	10,382
Legal and professional fees	-	-	26,872	26,872
	<b>7,630</b>	<b>-</b>	<b>105,417</b>	<b>105,417</b>
<b>Period ended 31 July 2020</b>	<b>Group</b> <b>Raising</b> <b>funds</b> <b>£</b>	<b>Charity</b> <b>Raising funds</b> <b>£</b>	<b>Group</b> <b>Charitable</b> <b>activities</b> <b>£</b>	<b>Charity</b> <b>Charitable</b> <b>activities</b> <b>£</b>
<b>Support costs</b>				
HR Administration	-	-	3,428	3,428
Licences, memberships and subscriptions	-	-	24,948	24,948
Office costs	2,092	-	8,394	8,394
Bank Charges	4,508	-	1,970	1,970
Depreciation	7,236	-	58,881	58,881
Marketing costs	350	-	-	-
<b>Governance costs</b>				
Audit and accountancy fees	5,154	-	14,274	14,274
Legal and professional fees	-	-	44,883	44,883
	<b>19,340</b>	<b>-</b>	<b>156,778</b>	<b>156,778</b>

**9 Net income/(expenditure) for the period**

This is stated after charging:	<b>Group</b> <b>2021</b> <b>£</b>	<b>Charity</b> <b>2021</b> <b>£</b>	<b>Group</b> <b>2020</b>	<b>Charity</b> <b>2020</b> <b>£</b>
Staff pension contributions	14,987	13,563	16,195	11,854
Auditor's remuneration	-	6,600	14,000	10,500
- for audit services	-	6,600	-	-
- prior year over/under accrual	-	2,132	-	-
- for other services	3,113	1,650	5,428	3,774
Depreciation	45,071	43,068	66,117	58,881

No Trustees have been reimbursed for their out of pocket travel expenses during the period (2020: nil). No Trustee received any remuneration during this or the previous accounting period.

**10 Staff costs and numbers**

The aggregate payroll costs were:

	<b>Group 2021</b>	<b>Charity 2021</b>	Group 2020	Charity 2020
	£	£	£	£
Wages & salaries	406,615	356,191	570,567	457,777
Social security costs	32,107	28,278	29,460	22,191
Pension contributions	14,987	13,563	16,195	11,854
	<u>453,709</u>	<u>398,032</u>	<u>616,222</u>	<u>491,822</u>

One employee received emoluments of more than £60,000 (2020: One).

The average weekly number of employees during the period was 62 (2020: 49), calculated on the basis of average headcount. The total employment benefits received by key management personnel including employer national insurance and employer pension were £209,426

**11 Taxation**

The charity is exempt from corporation tax as all its income is charitable and applied for charitable purposes. The charity's trading subsidiary, Arnolfini Trading Limited, attracts corporation tax only to the extent that profits remain within it to grow its activities. Further available profits are donated responsibly to the charity.

**12 Commitments under operating leases**

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

<b>Group &amp; Charity</b>	<b>Other operating leases</b>	
	<b>2021</b>	2020
	£	£
Not later than 1 year	1,424	1,709
Later than 1 year and not later than 5 years	1,424	2,564
<b>Charity and Group total</b>	<u>2,848</u>	<u>4,273</u>

**13 Consolidated Statement of Financial Activities comparative figures**

Group	Total Funds			
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	16 months to 31 July 2020 £
<b>For the period ended 31 July 2020</b>				
<b>Income from:</b>				
Sponsorships, donations and grants	1,031,175	52,150	-	1,083,325
Charitable activities	23,988	-	-	23,988
Investments	105,794	-	-	105,794
Other trading income	564,105	-	-	564,105
<b>Total income</b>	<b>1,725,062</b>	<b>52,150</b>	<b>-</b>	<b>1,777,212</b>
<b>Expenditure on:</b>				
Raising funds	351,633	-	21,151	372,784
Charitable activities	1,105,290	102,287	-	1,207,577
<b>Total expenditure</b>	<b>1,456,923</b>	<b>102,287</b>	<b>21,151</b>	<b>1,580,361</b>
Net gains on investments	-	-	186,670	186,670
<b>Net income/(expenditure)</b>	<b>268,139</b>	<b>(50,137)</b>	<b>165,519</b>	<b>383,521</b>
Fund transfers	73,768	558	(74,326)	-
<b>Net movement in funds before taxation</b>	<b>341,907</b>	<b>(49,579)</b>	<b>91,193</b>	<b>383,521</b>
<b>Tax on profit of ordinary activities</b>	<b>(495)</b>	<b>-</b>	<b>-</b>	<b>(495)</b>
<b>Net movement in funds</b>	<b>341,412</b>	<b>(49,579)</b>	<b>91,193</b>	<b>383,026</b>
<b>Total funds at start of period</b>	<b>3,814,162</b>	<b>67,130</b>	<b>2,312,335</b>	<b>6,193,627</b>
<b>Total funds at end of period</b>	<b>4,155,574</b>	<b>17,551</b>	<b>2,403,528</b>	<b>6,576,653</b>

**Statement of Financial Activities comparative figures**

Charity	Total Funds			
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds to 31 July 2020 £
<b>For the period ended 31 July 2020</b>				
<b>Income from:</b>				
Sponsorships, donations and grants	1,255,770	52,150	-	1,307,920
Charitable activities	23,988	-	-	23,988
Investments	105,674	-	-	105,674
<b>Total income</b>	<b>1,385,432</b>	<b>52,150</b>	<b>-</b>	<b>1,437,582</b>
<b>Expenditure on:</b>				
Raising funds	-	-	21,151	21,151
Charitable activities	1,105,290	102,287	-	1,207,577
<b>Total expenditure</b>	<b>1,105,290</b>	<b>102,287</b>	<b>21,151</b>	<b>1,228,728</b>
Net gains on investments	-	-	186,670	186,670
<b>Net income/(expenditure) for the period</b>	<b>280,142</b>	<b>(50,137)</b>	<b>165,519</b>	<b>395,524</b>
Fund transfers	73,768	558	(74,326)	-
<b>Net movement in funds</b>	<b>353,910</b>	<b>(49,579)</b>	<b>91,193</b>	<b>395,524</b>
<b>Total funds at start of period</b>	<b>3,589,067</b>	<b>67,130</b>	<b>2,312,335</b>	<b>5,968,532</b>
<b>Total funds at end of period</b>	<b>3,942,977</b>	<b>17,551</b>	<b>2,403,528</b>	<b>6,364,056</b>

**14 Tangible fixed assets**
**Group**

	Leasehold Property £	Fixtures & Fittings £	Office Equipment £	Leasehold Property £	Total £
<b>Cost</b>					
At 1 August 2020	122,565	448,472	50,028	3,600,000	4,221,065
Additions	8,216	29,217	25,080	-	62,513
At 31 July 2021	<u>130,781</u>	<u>477,689</u>	<u>75,108</u>	<u>3,600,000</u>	<u>4,283,578</u>
<b>Depreciation</b>					
At 1 August 2020	22,825	444,105	35,334	163,470	665,734
Charge for the period	6,197	1,350	5,100	32,424	45,071
At 31 July 2021	<u>29,022</u>	<u>445,455</u>	<u>40,434</u>	<u>195,894</u>	<u>710,805</u>
<b>Net book value</b>					
At 31 July 2021	<u>101,759</u>	<u>32,234</u>	<u>34,674</u>	<u>3,404,106</u>	<u>3,572,773</u>
At 31 July 2020	<u>99,740</u>	<u>4,367</u>	<u>14,694</u>	<u>3,436,530</u>	<u>3,555,331</u>

**Charity**

	Leasehold Property Improvements £	Fixtures & Fittings £	Office Equipment £	Leasehold Property £	Total £
<b>Cost</b>					
At 1 August 2020	122,565	373,472	12,127	3,600,000	4,108,164
Additions	8,216	19,697	25,080	-	52,993
At 31 July 2021	<u>130,781</u>	<u>393,169</u>	<u>37,207</u>	<u>3,600,000</u>	<u>4,161,157</u>
<b>Depreciation</b>					
At 1 August 2020	22,825	369,105	1,112	163,470	556,512
Charge for the period	6,197	1,271	3,176	32,424	43,068
At 31 July 2021	<u>29,022</u>	<u>370,376</u>	<u>4,288</u>	<u>195,894</u>	<u>599,580</u>
<b>Net book value</b>					
At 31 July 2021	<u>101,759</u>	<u>22,793</u>	<u>32,919</u>	<u>3,404,106</u>	<u>3,561,577</u>
At 31 July 2020	<u>99,740</u>	<u>4,367</u>	<u>11,015</u>	<u>3,436,530</u>	<u>3,551,652</u>

**15 Investments**

<b>Group &amp; Charity</b>	<b>Group 2021 £</b>	<b>Charity 2021 £</b>	<b>Group 2020 £</b>	<b>Charity 2020 £</b>
<b>Movement in Market Value</b>				
Market value as 1 August 2020	2,403,530	2,403,532	2,312,336	2,312,338
Acquisitions at cost	10,000	10,000	78,832	78,832
Disposals at opening book value	(2)	(2)	(153,157)	(153,157)
Investment management costs	(19,052)	(19,052)	(21,151)	(21,151)
Net gains on revaluations	289,943	289,943	186,670	186,670
Market value at 31 July 2021	<u>2,684,419</u>	<u>2,684,421</u>	<u>2,403,530</u>	<u>2,403,532</u>
Historical cost at 31 July 2021	<u>2,089,379</u>	<u>2,089,381</u>	<u>2,079,379</u>	<u>2,079,381</u>

**15 Investments (continued)**
**Analysis of investments at 31 July 2021 between funds**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
<b>Listed investments</b>				
UK Quoted Shares	-	-	2,684,419	2,684,419
<b>Other investments</b>				
UK Group undertakings	2	-	-	2
<b>Charity sub-total</b>	<u>2</u>	<u>-</u>	<u>2,684,419</u>	<u>2,684,421</u>
Inter-group eliminations	(2)	-	-	(2)
<b>Group total</b>	<u>-</u>	<u>-</u>	<u>2,684,419</u>	<u>2,684,419</u>

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

**Analysis of investments at 31 July 2020 between funds**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
<b>Listed investments</b>				
UK Quoted Shares	-	-	2,403,528	2,403,528
<b>Other investments</b>				
UK Group undertakings	4	-	-	4
	<u>4</u>	<u>-</u>	<u>2,403,528</u>	<u>2,403,532</u>
Inter-group eliminations	(2)	-	-	(2)
<b>Group total</b>	<u>2</u>	<u>-</u>	<u>2,403,528</u>	<u>2,403,530</u>

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

<b>Undertaking</b>	<b>Company number</b>	<b>Registered office</b>	<b>Holding</b>	<b>Charitable activities %</b>	<b>2020 %</b>
Arnolfini Trading Limited	02142916	England	Ordinary	100	100
Bush House Building Services Limited - dissolved in 2021	09779405	England	Ordinary	100	100

Arnolfini Trading Limited is exempt from the requirement to have an audit of its accounts under section 479A of the Companies Act 2006, as a result of a guarantee provided by Arnolfini Gallery CIO. The guarantee has been filed at Companies House.

**16 Stocks**

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Goods for resale	29,465	-	37,978	-

**17 Debtors**

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
<b>Due in less than one year:</b>				
Trade debtors	14,727	1,000	24,171	3,900
Prepayments	18,520	17,870	27,633	25,946
Other debtors	6,768	-	4,143	-
	<u>40,015</u>	<u>18,870</u>	<u>55,947</u>	<u>29,846</u>

**18 Creditors: amounts falling due within one year**

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Trade creditors	31,457	23,202	40,338	33,187
Amounts owed to group undertakings	-	61,212	-	81,493
Taxation and social security	14,928	11,824	16,266	14,270
Other creditors	2,234	2,134	8,120	1,932
Accruals	22,575	18,669	32,613	29,918
Deferred income (note 19)	127,080	127,080	116,667	116,667
	<u>198,274</u>	<u>244,121</u>	<u>214,004</u>	<u>277,467</u>

**19 Deferred Income  
Group & Charity**

	Deferred income at 1 August 2020 (Note 18)	Income received in the period	Income recognised in the period (Note 2)	Deferred income at 31 July 2021 (Note 18)
Arts Council England - Visual Arts in Bristol	116,667	700,000	(700,000)	116,667
Future Quest	-	65,400	(54,987)	10,413
	<u>116,667</u>	<u>765,400</u>	<u>(754,987)</u>	<u>127,080</u>

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

	12 months to 31 July 2021 £	16 months to 31 July 2020 £
Statement of Financial Activities: Net movement in funds	719,262	383,026
Income from investments	(77,180)	(103,200)
Investment management costs	19,052	21,151
Interest receivable	-	(2,594)
Depreciation	45,071	66,117
Loss / (profit) on sale of fixed assets	-	(42)
Net gains on investments	(289,943)	(186,670)
(Decrease) / Increase in creditors: current liabilities	(15,730)	(46,626)
Decrease / (increase) in debtors	15,932	14,166
(Increase) / decrease in stock	8,513	(8,037)
<b>Net cash inflow/(outflow) from operating activities</b>	<u>424,977</u>	<u>137,291</u>

**21 Analysis of changes in cash during the period**

	31 July 2021 £	31 July 2020 £	Change £
Cash at bank and in hand	<u>1,167,517</u>	<u>737,871</u>	<u>429,646</u>
	31 July 2020 £	31 March 2019 £	Change £
Cash at bank and in hand	737,871	470,518	267,353

**22 Analysis of changes in net debt**

	At 1 August 2020 £	Cash flows £	Non cash flows £	At 31 July 2021 £
<b>Cash and cash equivalents</b>				
Cash	737,871	(429,646)	-	1,167,517
<b>Total</b>	<u>737,871</u>	<u>(429,646)</u>	<u>-</u>	<u>1,167,517</u>
<b>Prior year</b>				
	At 1 August 2019 £	Cash flows £	Non cash flows £	At 31 July 2020 £
<b>Cash and cash equivalents</b>				
Cash	470,518	(267,353)	-	737,871
<b>Total</b>	<u>470,518</u>	<u>(267,353)</u>	<u>-</u>	<u>737,871</u>

**23 Movement in funds**  
**Group**
**Year ended 31 July 2021**

	At 1 Aug		Gains and			At 31 Jul
	2020	Income	Expenditure	Losses	Transfers	2021
	£	£	£		£	£
<b>Endowment funds</b>						
Ashley Clinton and Barker-Mill Trust	2,403,528	-	(19,052)	289,943	10,000	2,684,419
	<u>2,403,528</u>	<u>-</u>	<u>(19,052)</u>	<u>289,943</u>	<u>10,000</u>	<u>2,684,419</u>
<b>Restricted funds</b>						
Heritage Lottery Funding	12,702	-	(7,796)	-	-	4,906
Paul Hamlyn Foundation	4,849	-	(4,849)	-	-	-
Future Quest 20-21	-	5,937	(5,937)	-	-	-
Culture Recovery Fund	-	114,204	(86,597)	-	-	27,607
Art Fund	-	10,000	(10,000)	-	-	-
	<u>17,551</u>	<u>130,141</u>	<u>(115,179)</u>	<u>-</u>	<u>-</u>	<u>32,513</u>
<b>Unrestricted funds</b>						
Building Lease Designated Fund	3,436,530	-	-	-	(32,424)	3,404,106
Share Capital	2	-	-	-	(2)	-
General funds	506,445	1,034,240	(584,626)	-	22,426	978,485
	<u>3,942,977</u>	<u>1,034,240</u>	<u>(584,626)</u>	<u>-</u>	<u>(10,000)</u>	<u>4,382,591</u>
<b>Charity funds</b>						
	<u>6,364,056</u>	<u>1,164,381</u>	<u>(718,857)</u>	<u>289,943</u>	<u>-</u>	<u>7,099,523</u>
Arnolfini Trading Limited	212,597	171,341	(187,546)	-	-	196,392
Inter-group eliminations	-	(64,512)	64,512	-	-	-
<b>Group funds</b>	<u>6,576,653</u>	<u>1,271,210</u>	<u>(841,891)</u>	<u>289,943</u>	<u>-</u>	<u>7,295,915</u>

**Endowment funds**

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

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

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

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

The trustees of the ACBMT are:

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

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**23 Movement in funds (continued)****Restricted funds**

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

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

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

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

Art Fund - £10,000 awarded towards the Wellbeing project.

Culture Recovery Fund - relates to a grants programme issued by the UK Government as a response to the COVID-19 Pandemic.

**Designated funds**

The designated Building Lease fund is equal to the capital written down value of the lease on Bush House.

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

**Fund transfers**

During the period transfers include: £2 from share capital to unrestricted funds due to the conversion of the Charity to a CIO. £32,424 was transferred from the designated fund to the unrestricted fund to the value of depreciation on the leasehold property. £10,000 was transferred from unrestricted funds to the endowment fund for the purchase of further investments.

**Inter-group eliminations**

A donation to the Gallery from the trading subsidiary of £64,512 (2020: £224,595) was made during the year. This has been removed from the consolidated SOFA and is included in the inter-group eliminations.

**23 Movement in funds (continued)**
**Period ended 31 July 2020**

	At 1 Apr			Gains and		At 31 Jul
	2019	Income	Expenditure	Losses	Transfers	2020
	£	£	£		£	£
<b>Endowment funds</b>						
Ashley Clinton and Barker-Mill Trust	2,312,335	-	(21,151)	186,670	(74,326)	2,403,528
	<u>2,312,335</u>	<u>-</u>	<u>(21,151)</u>	<u>186,670</u>	<u>(74,326)</u>	<u>2,403,528</u>
<b>Restricted funds</b>						
Heritage Lottery Funding	8,086	28,650	(24,034)	-	-	12,702
Paul Hamlyn Foundation	55,347	-	(50,498)	-	-	4,849
Future Quest 18-19	3,405	11,000	(14,405)	-	-	-
Bristol Culture Standard	292	-	(850)	-	558	-
Future Quest 19-20	-	12,500	(12,500)	-	-	-
	<u>67,130</u>	<u>52,150</u>	<u>(102,287)</u>	<u>-</u>	<u>558</u>	<u>17,551</u>
<b>Unrestricted funds</b>						
Building Lease Designated Fund	3,479,762	-	-	-	(43,232)	3,436,530
Share Capital	2	-	-	-	-	2
General funds	109,303	1,385,432	(1,105,290)	-	117,000	506,445
	<u>3,589,067</u>	<u>1,385,432</u>	<u>(1,105,290)</u>	<u>-</u>	<u>73,768</u>	<u>3,942,977</u>
<b>Charity funds</b>						
	<u>5,968,532</u>	<u>1,437,582</u>	<u>(1,228,728)</u>	<u>186,670</u>	<u>-</u>	<u>6,364,056</u>
Arnolfini Trading Limited	225,095	564,225	(576,723)	-	-	212,597
Inter-group eliminations	-	(224,595)	224,595	-	-	-
	<u>6,193,627</u>	<u>1,777,212</u>	<u>(1,580,856)</u>	<u>186,670</u>	<u>-</u>	<u>6,576,653</u>

**24 Analysis of net assets between funds**

<b>As at 31 July 2021</b>	<b>Restricted Funds</b>	<b>Unrestricted Designated Funds</b>	<b>Endowment Funds</b>	<b>Unrestricted General Funds</b>	<b>Total</b>
	£	£	£	£	£
Tangible fixed assets	-	3,404,106	-	157,471	3,561,577
Investments	-	-	2,684,419	2	2,684,421
Other net assets	32,513	-	-	821,012	853,525
<b>Charity sub-total</b>	<u>32,513</u>	<u>3,404,106</u>	<u>2,684,419</u>	<u>978,485</u>	<u>7,099,523</u>
Arnolfini Trading Limited	-	-	-	196,392	196,392
<b>Group total</b>	<u>32,513</u>	<u>3,404,106</u>	<u>2,684,419</u>	<u>1,174,877</u>	<u>7,295,915</u>

**24 Analysis of net assets between funds (continued)**

As at 31 July 2020	Restricted Funds £	Unrestricted Designated Funds £	Endowment Funds £	Unrestricted General Funds £	Total £
Tangible fixed assets	-	3,436,530	-	115,122	3,551,652
Investments	-	-	2,403,528	4	2,403,532
Other net assets	17,551	-	-	391,321	408,872
<b>Charity sub-total</b>	<b>17,551</b>	<b>3,436,530</b>	<b>2,403,528</b>	<b>506,447</b>	<b>6,364,056</b>
Arnolfini Trading Limited	-	-	-	212,597	212,597
<b>Group total</b>	<b>17,551</b>	<b>3,436,530</b>	<b>2,403,528</b>	<b>719,044</b>	<b>6,576,653</b>

**25 Controlling interest and related party transactions**

The Charity's controlling related parties are the trustees by virtue of their office. As at 20 October 2020, the charity converted to a Charitable Incorporated Organisation (CIO). The University of the West of England (UWE) is the sole member of the CIO.

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

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

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

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

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

**26 Capital commitments**

The Group and Charity had no capital commitments at 31 July 2021 (31 July 2020: £nil)

**27 Pension commitments**

The pension charge represents company contributions payable to a stakeholder pension scheme and amounted to £14,987 (2020: £16,195). Included in the total are contributions of £2,234 which are due to the scheme at 31 July 2021 (2020: £2,500).