

**SOUTH LONDON FINE ART GALLERY AND LIBRARY  
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**



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## REFERENCE AND ADMINISTRATIVE INFORMATION

**Status** The organisation registered as a charity on 9 May 1966.

**Governing document** The charity is constituted under a trust deed dated 3 March 1894 and as varied by schemes dated 20 July 1897, 28 September 1906 and 2 July 1912.

**Charity number** 312160

**Registered office and operational address** 65 Peckham Road, London, SE5 8UH

**The Trustee** The Trustee is the SLG Trustee Ltd, which has a board of directors. The directors who served on the board of The SLG Trustee Ltd during the year and up to the date of this report were as follows:

Matthew Slotover (Chair) (resigned 14 December 2021)  
Cllr Radha Burgess (resigned 15 June 2021)  
Bilge Ogut-Cumbuysan (resigned 14 December 2021)  
Joy Gregory  
Stephen Kirk (Treasurer)  
Cllr Maria Linforth Hall (resigned 15 June 2021)  
Novuyo Moyo  
Cllr Graham Neale (appointed 15 June 2021, resigned 14 June 2022)  
Cllr Jason Ochere (appointed 15 June 2021)  
Sandhini Poddar  
Adam Prideaux  
Serge Ramin (appointed 21 June 2021) (appointed Chair 14 December 2021)  
Miranda Sawyer  
Myriam Semere  
Cllr Cleo Soanes  
Abbas Zahedi (appointed 21 June 2021)  
Chris Bedson (appointed 14 December 2021)  
Cllr Sandra Rhule (appointed 14 June 2022)

The directors on the board of The SLG Trustee Ltd have no beneficial interest in the charity other than as disclosed in note 7.

**Principal staff** Margot Heller, Director  
Cathy Hirschmann, Deputy Director (until Sep '21)  
Isabelle Hancock, Deputy Director (from Oct '21)  
Sarah Allen, Head of Programme (from Sep '21)  
Rachael Harlow, Co-acting Head of Programme & Projects Curator (from Feb - Sep '21)  
Anna Jones, Head of Communications (maternity leave from Aug '22)  
Bruce Phillips, Co-acting Head of Programme & Projects Curator (from Feb - Sep '21)

Sophie Ryan, Head of Communications (maternity cover from Jan '22)  
Carey Robinson, Head of Education

<b>Bankers</b>	HSBC Bank Plc 47 Rye Lane Peckham, London, SE15 5ET
<b>Solicitors</b>	Bates, Wells & Braithwaite Cheapside House, 138 Cheapside, London, EC2V 6BB
<b>Auditors</b>	Sayer Vincent LLP, Chartered Accountants and Statutory Auditors Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

The Trustee presents its report and the audited financial statements for the year ended 31 March 2022.

Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## OBJECTIVES AND ACTIVITIES

### Purpose and Aims

Since its foundations in the late nineteenth century as a free public gallery and library, the South London Gallery (SLG) has maintained a vision for bringing “art to the people of south London”, albeit with an additional national and international remit in the past 25 years. Since 1993, the gallery has placed an emphasis on promoting the production and understanding of contemporary visual art to diverse audience groups through an interlinked programme of exhibitions, live art events, film screenings, artist residencies, off-site projects, education and outreach activities. The SLG has a national and international reputation for excellence and innovation, as well as for playing an important role in the regeneration of Camberwell and Peckham, an area of south-east London with a culturally diverse population, relatively high levels of social and economic exclusion, and a vibrant arts scene. The gallery is next door to Camberwell College of Arts and numerous artists' studios further add to the creative energy in the area.

Through its artistic programme, the SLG aims to present new work by British and international artists, often by those who have rarely or never had a solo show in a London institution. Each year solo and group exhibitions profile established international figures such as Katharina Grosse, Ann Veronica Janssens, Christina Quarles, Danh Vo, Lawrence Weiner and Haegue Yang; as well as younger and mid-career artists such as Michael Armitage, Alvaro Barrington, Sophie Cundale and Magali Reus. Group shows bring together works by established and lesser-known British and international artists, for example *The Show is Over*; *Under the Same Sun: Art from Latin America Today*; *The Place is Here*; *KNOCK KNOCK: Humour in Contemporary Art*; and our five-year partnership with Bloomberg New Contemporaries which showcases a selection of emerging artists across the SLG's Main Gallery and Fire Station sites. The gallery's live art, talks and film programme has a strong following and has featured presentations by Adam Linder, Maria Fusco, Ms Carrie Stacks, Nkisi, Okkyung Lee and Beatrice Dillon, among many others. There are regular free tours of the current shows, whilst screenings, performances and talks by and about some of the most interesting local, national and international artists, curators and thinkers are presented in the gallery's purpose-built Clore Studio.

The SLG works with thousands of school pupils, young people, local residents, children and community groups annually through innovative and award-winning education and outreach programmes. These range from weekly activities for looked after children, regular workshops with schools and our young people's forum *Art Assassins* taking place in our education space the Clore Studio, through to off-site creative play activities for children who live on local estates. The gallery's work with residents on the neighbouring Sceaux Gardens housing estate and two other local housing estates has shown impressive results in terms of social cohesion and community-building, as well as nurturing an interest in contemporary art among participants.

The organisation is a registered charity and receives public funding from Arts Council England and Southwark Council. The gallery needs to raise more than half of its annual income from other sources to realise its ambitious programme of exhibitions and events. This includes grants from trusts and foundations; corporate sponsorship; commercial income from private hire, artists' editions, bookshop and café; fundraising events and auctions; as well as the support of individuals who include exhibition donors and sponsors, the SLG Council, benefactors, patrons and members. Artists also play a crucial role in fundraising for the SLG by donating works to auctions and making limited editions to sell in the shop.

## THE SLG'S GUIDING PRINCIPLES, AIMS & VALUES

The SLG's successes over the past decade reflect our reputation for excellence and risk-taking in contemporary visual arts programming, combined with a fundamental commitment to long-term education and outreach projects focusing on our immediate community and neighbours. The guiding principles which have enabled and informed the SLG's successes to date have included a commitment to:

- presenting work of the highest possible quality across all programmes;
- enabling the production of new work;
- facilitating experimentation and risk-taking;
- involving artists in the life and work of the gallery;
- involving audiences and local communities as collaborators as well as participants in our programmes;
- reflecting the diversity of London's communities in all areas of its work and organisation, including staffing, programming, governance, access and audience development;
- building diverse and dedicated audiences for contemporary visual arts by providing distinctive and engaging opportunities for participation and involvement both in person and digitally;
- communicating clearly in an informative and inviting manner to increase the reach of the gallery's programmes;
- valuing all stakeholders (artists, visitors, funders, partners, contractors etc) and treating them in a respectful, informed and responsive manner;
- forging partnerships, locally, nationally and internationally, to facilitate the realisation of ambitious projects, and to maximise their potential benefits;
- meeting the objectives of key funders, including Arts Council England and Southwark Council, to ensure their continued support;
- being the best employer that we can be within our resources, including providing training and development opportunities for all staff, providing new traineeships which support people into careers in galleries and museums and paying all staff members above London Living Wage;

- maintaining our buildings, including listed buildings and their rich heritage, signage and facilities to a high standard to ensure the best possible experience for visitors with the least impact on the environment;
- and running the organisation efficiently to maximise value for money and outputs in relation to resources.

The South London Gallery's Aims are:

- to provide inspiring, supportive and inclusive contexts for the presentation and creation of contemporary art;
- to provide creative participatory opportunities for people which make a positive difference to their lives;
- to be a safe, welcoming and inspiring space and resource for visitors;
- to attract diverse visitors - locally, nationally, internationally and online - and make a positive difference in their lives;
- to preserve our heritage assets (listed buildings and the SLG Archive) and provide interpretation which deepens people's learning and enjoyment;
- to forge partnerships locally, nationally and internationally to maximise potential benefits and to facilitate the realisation of ambitious projects;
- to have a significant positive economic impact on the local area;
- to have an integrated and sustainable environmental plan;
- to raise funds across a range of sources to ensure the long-term viability of the organisation;
- and to be an inclusive and anti-racist organisation with our diversity and inclusion aims and objectives actively present in every area of our activity.

The SLG's Director, Management Team, staff and the Trustee regularly review these principles and aims and use them as a checklist against which to monitor the organisation's progress and control the quality and integrity of its activities.

In 2021-22 all staff were invited to participate in a team Away Day, led by an external facilitator, to devise a set of core values for the SLG. This work, consolidated via a follow up session with Senior Management and the Trustee, formed part of the SLG's application for three-year support from Arts Council England for 2023-26.

The SLG's core values are to be an organisation that is:

- Nurturing and Inspiring
- Experimental and Risk Taking
- Relevant, Inclusive and Welcoming

## ACHIEVEMENTS AND PERFORMANCE IN 2021-22

The charity's main activities and beneficiaries are described below. All its charitable activities are undertaken to further the SLG's charitable purpose for public benefit. The Trustee have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustee considers how planned activities will contribute to the aims and objectives that have been set.

With an array of bespoke gallery and education spaces on differing scales, site-specific art commissions, an artist's studio, archive displays and communal kitchen, over the past decade the SLG has evolved in response to the needs and interests of the diverse artists and audiences it engages with. Visitors now enjoy an inspiring setting which combines historic buildings, award-

winning contemporary architecture, artist-designed gardens, a café that has become a destination in its own right and a specialist bookshop that is highly ranked among independent booksellers. The gallery's education projects continue to be held in high regard as demonstrated by the range of partners and funders.

2021/22 was the second year in which the SLG felt the significant impacts of the Covid-19 pandemic. In May 2021, the SLG reopened its galleries to the public after a second extended period of closure due to lockdown (January – May 2021). Prioritising activities for the most vulnerable people we work with and our local residents continued to be a core focus for the education programme, with a number of programmes continuing to take place online, alongside resuming in-person events and sessions as soon as it was safe and possible to do so.

We were able to reopen the galleries safely with Covid-safe measures in place for audiences and staff members, and successfully presented exhibitions which had been postponed from the previous year, honouring our commitment to those artists and partners. Throughout the year, despite ongoing disruption due to the pandemic, including caps on audience capacities and reduced occupancy in the offices to ensure Covid-safe working, we are proud to have delivered an exceptional programme of commissions, exhibitions, live art and archive displays across the main gallery and Fire Station galleries.

Our online programming also continued. Convergence, a series of critical online conversations, screenings and written commissions, facilitated by the SLG and curated and hosted by invited guests developed after its successful pilot in 2020/21 with events, written commissions and a podcast in collaboration with Shade, exploring anti-racism and the arts. The gallery also delivered Making Sense, a digital and in-person collaborative resource and programme of cultural and creative collective learning in partnership with Mountview and a range of Southwark schools, assembling around three pillars: young people, teachers & professionals, and local organisations, working to share stories and explore the impacts of Covid-19 and Black Lives Matter through interdisciplinary arts.

During the year, exhibitions and projects featured in a range of publications with press highlights including the following: Jonathan Jones from The Guardian in 'Going Out, Staying in', Eddy Frankel for Time Out reviewing Alice Theobald: 'IL Y Aura (there will be)' and Adrian Searle from The Guardian reviewing Alvaro Barrington's show, 'Spider, The Pig, Pig, The Spider' with four-stars.

The SLG was grateful for funding received from the second round of Arts Council England's Culture Recovery Fund, which, building on support received from the first round of Culture Recovery funding in the previous year, stabilised the SLG's financial outlook in the wake of the pandemic and enabled the building up of reserve funds to ensure longer term sustainability.

In the Autumn of 2021, the SLG celebrated its 130<sup>th</sup> anniversary with a special fundraising event and the launch of a portfolio of editions by five leading international artists, produced to raise vital funds for the SLG. For two weeks in October 2021 the portfolio was displayed at SLG Central, a pop-up space in Mayfair, with the aim of reaching collectors and donors unfamiliar with the SLG.

Freelands Foundation and BBC Children in Need continued as major supporters of the SLG and enabled core elements of the SLG's education programme to support our local communities. The artistic programme continues to attract support from international arts bodies and embassies as well as a small but committed number of charitable foundations and individual donors. One-off and long-term relationships with trusts and foundations provide support across the gallery's education programmes, as do the circle of donors making up the SLG Council.

Building on lessons learned over the past two years, our objective over the next five years is to increase the gallery's local, national and international impact and rebuild audiences to reach pre-Covid levels, through artistic, education and residency programmes across the SLG's indoor and outdoor spaces at its main site, in the four-storey annexe in the former Peckham Road Fire Station, at Art Block on Seaux Gardens Estate, on other local housing estates, and online.

The South London Gallery will increasingly play a leading role in providing free public space and events to diverse audiences in the presentation, production and experience of contemporary visual art and culture at a time of rapid change and gentrification in the local area. A significant grant raised in 21/22 to enable a raft of new marketing and audience development initiatives plays an important role in this as we work towards a return to pre-Covid visitor numbers, increase our reach and impact locally, nationally and internationally, and become ever-more inclusive and diverse in everything we do.

## ARTISTIC PROGRAMME

In 2021-22 the SLG profiled the work of 183 British and international artists through:

- solo and group shows in the main gallery and at the Fire Station, with associated programmes for both in-person and digital engagement;
- online and in-person talks and film screenings;
- artist residencies in the Outset artists' flat and artists' studio at the Fire Station;
- artist-led activities as part of the gallery's education and outreach programme;
- and collaborations with artists to create editions to raise funds for the gallery.

The SLG delivered a full and varied programme of exhibitions, residencies, film screenings, talks and performances, including work by emerging and established artists, delivering work both in person and digitally. We maintained our commitment to supporting and enabling the production of excellent work, acknowledged through press coverage, audience and artists' feedback and in-person and online engagement.

In May 2021 we presented a virtual exhibition in partnership with theVOV, reviving Chris Burden's 2006 SLG exhibition *14 Magnolia Double Lamps*. When our buildings were able to reopen after lockdown, the SLG continued the exhibition Bloomberg New Contemporaries 2020 which had originally opened for a matter of days in December 2020 before it closing due to the pandemic, featuring the work of 36 artists at the early stages of their career. In the Summer and Autumn, we presented solo exhibitions in our main gallery by artists Christina Quarles and Alvaro Barrington, alongside exhibitions in the Fire Station galleries by Sarah Staton and artist, lecturer and archivist, Rita Keegan. In March, exhibitions by Alice Theobald and Celine Condorelli opened in the main gallery and Fire Station respectively.

In December 2021 we continued our ongoing partnership to present the fourth iteration of Bloomberg New Contemporaries, which featured a record 75 artists. In 2021-22 we continued our six-month post-graduate residency programme with Ufuomo Essi and Shamica Ruddock concluding and beginning residencies respectively. They both benefited from our artist studio space on the top floor of the Fire Station, which complements the existing flat for artists in residence.

The SLG also hosted a range of partners to present short exhibitions in the main gallery and Fire Station. In September the SLG hosted the degree exhibition of graduating MA students from Camberwell College of Arts (UAL). Other partners included the Feel Good Designers, a group of learning-disabled young artists who are supported by creative arts charity Heart n Soul; School SOS, a nomadic not-for-profit critical design school that seeks to challenge traditional modes of Higher Education delivery in the UK; and the South London Refugee Association (SLRA) and The Feminist Library who presented the exhibition *We Are a Group of Excellent Women* in March 2022.

A display in the SLG's Archive room, *Shut the Club Down*, explored dance music and nightlife culture in 1990s Peckham and Camberwell through two venues: Peckham Lazerdrome and Imperial Gardens. Our varied programme of film and talks continued with a mixture of online and in-person events and provided opportunities for collaborations, discussion and peer review. This included Convergence, a programme of online talks, events, screenings, a film festival and writing conversations. All events as part of Convergence were free, and aimed to platform the critical thinking of young and emerging black art historians, curators, critics, writers and artists. Our ongoing film programme *South by South* also continued, curated by Tega Okiti; alongside screenings selected by the SLG's young people's group the Art Assassins.

Rumpus Room undertook the annual Art Block commission as part of Open Plan (our long-term project on neighbouring housing estates), working with the Art & Play team and the children who attend Art Block to develop and their installation *Playing for the Future*.



## Exhibitions in 2021-2022

Bloomberg New Contemporaries 2020, installed and launched with digital events in January 2021, open to the public 19 May – 6 June 2021

Art Assassins: An Archive By Other Means, installed and launched with digital events in January 2021, open to the public in 19 May – 30 June 2021

Christina Quarles: In Likeness, 18 June – 29 August 2021

Ufuoma Essi: From Where We Land, 23 June – 5 September 2021

Sarah Staton: Supastore Southside, Slingbacks & Sunshine, 9 July – 5 September 2021

I'm Yours and You're Mine, Stay Curious – The House of Do Your Own Thing: 4 – 5 September 2021

MA Fine Art Graduate Showcase, 11 – 18 September 2021

Rita Keegan: Somewhere Between There and Here, 17 September – 28 November 2021

SLG Central at 30 Old Burlington Street, W1S 3AP, 21 September – 17 October 2021

Alvaro Barrington: Spider the Pig, Pig the Spider, 1 October – 21 November 2021

SLG Hosts: School SOS, 13 – 28 November 2021

Bloomberg New Contemporaries 2021, 10 December 2021 – 12 February 2022

We Are a Group of Excellent Women, 4 – 25 March 2022

Alice Theobald: II Y Aura (There Will Be), 9 March – 5 June 2022

Celine Condorelli with Ben Rivers and Jay Bernard: After Work, 4 March – 5 June 2022

### **Archive Displays in 2021-2022**

Independence to Now, 19 May – 26 September 2021

Shut The Club Down, 25 February 2020 – 3 January 2021

### **Residencies in 2020-2021**

Ufuoma Essi, Postgraduate Artist in Residence, November 2020 – June 2021

Shamica Ruddock, Postgraduate Artist in Residence, November 2021 – June 2022

### **Highlights from the performance, film and events programme in 2021-2022**

Event: Walk It Talk It: Meet me at the Tree of Heaven, 20 June 2021

Talk: Convergence: Cultural Compensation Won't Sustain Anti-Racism II, Online, 24 June 2021

Event: SLG Skills: Photographic Printmaking Course, 21 July – 11 August 2021

Talk: Rita Keegan in conversation with Lorraine Brooks, 22 September 2021

Event: The Conch, 15 September 2021

Film: South by South: Babymother, 23 October 2021

Talk: Alvaro Barrington in conversation with Mariana Mazzucato, 17 November 2021

Film: Djofray Makumbu: Hello Mr Officer, 19 & 20 November 2021

Event: SLG Skills: Introduction to Etching, 2, 9, 16, 23 February and 2, 9 March 2022

Event: Art Assassins x Layla Majid, Pop Up Exhibition, 19 & 20 February 2022

Event: Pushback: an afternoon of making, art and conversation exploring the social change movement at the South London Gallery, 16 March 2022

### **New artist editions, publications and merchandise**

Created to mark the 130th anniversary of the South London Gallery, in 21/22 the SLG worked with five leading international artists to produce a special limited-edition portfolio of artists' prints to raise vital funds for the SLG. The featured artists were Alvaro Barrington, Rashid Johnson, Gabriel Orozco, Christina Quarles and Haegue Yang.

Artist Katarina Gross also produced a limited-edition print on fabric for the gallery in 21/22, which complements existing editions by artists Jessie Brennan, Susan Cianciolo, Isabelle Cornaro, Sophie Cundale, Federico Herrero, Ann Veronica Janssens, Erik van Lieshout, Basim Magdy, Alicia Reyes McNamara, Rory Pilgrim, Magali Reus, Raqib Shaw, Lawrence Weiner and Abbas Zahedi.

Also in 21/22, the SLG produced a publication which documents the creation of the gallery's permanent Orozco Garden, which opened in 2016 and was created over two years by leading international artist Gabriel Orozco, with support from 6a architects and horticulturalists at the Royal Botanic Gardens, Kew.

All proceeds from the sale of SLG editions and publications support the SLG's charitable activities.

## EDUCATION

Providing opportunities for children and young people to experience the richness of the arts has been a vitally important part of the South London Gallery mission for the past two decades. The SLG's innovative approach to working with diverse audiences through its education and outreach programmes has proven effective in connecting with audiences least likely to engage in the arts.

In 2021-22, the SLG's team of education staff continued to work with artists and artist-educators engaging with children, young people and adults on ambitious arts education projects on and off-site and online.

This year the education programme brought together:

- a primary and secondary schools programme across a network of 20+ partner schools, with artist-led activities linked to learning across the curriculum as well as work experience partners, digital resources and exhibition tours;
- Making Sense, a new digital and in-person collaborative programme which aims to collectively seek systemic solutions for endemic challenges within art and design education;
- Art Assassins, a peer-led young people's group (age 14 – 21) who meet weekly to devise and produce public events and exhibitions with accessing the creative industries advice and guidance.
- Supersmashers, a weekly after-school programme for looked after children funded by BBC Children in Need;
- Creative Families, an artist-led project for local parents and under-5's in collaboration with Southwark's Parental Mental Health team and local children's centres;
- Sunday Spot, monthly drop-in workshops for families, inspired by current SLG exhibitions;
- and Flavour Cravers, a programme of cooking lessons led by local chefs and cooks, for local children, in the Fire Station kitchen;
- strong partnerships with local HE and FE colleges and universities;
- and an Art & Play Assistant training and employment programme which includes local young people.

Additionally, the SLG's Residents' Programme works with and for the South London Gallery's close neighbours on local housing estates, to deliver a long-term public art and learning project, Open Plan. Building on more than a decade's work with residents locally, through Open Plan we deliver a variety of activities year-round including:

- an afterschool programme at our dedicated education space, Art Block, on Sceaux Gardens estate;
- community celebrations;

- creative projects;
- and public art commissions.



The collective impact of our education and outreach projects for children and young people is significant, as evidenced by repeat visits of participants; participant, family and teacher feedback; the quality of work produced; and the progression of participants as assistants and workshop facilitators.

*"I have witnessed first-hand the loyalty and dedication the team has given to the families and children on the estate and surrounding streets. What the South London Gallery provides to us on regular basis is wonderful".*

Joan Morris, Chair, Pelican Housing Estate Tenants & Residents Association

## BENEFICIARIES AND AUDIENCE DEVELOPMENT

The SLG provides benefits for artists, audiences and participants through all its activities. The Education Programme focuses on responding to the particular needs of people who participate in our programmes and those who live within the immediate vicinity of the SLG in Southwark.

In 21/22 as the gallery reopened after periods of closure due to Covid-19, this meant honouring our commitments to artists by realising a number of exhibitions and projects which had been postponed from the previous year and developing our education programmes to operate both online and in person in new Covid-safe formats, continuing to support some of our most vulnerable participants and our local residents.

Despite the ongoing disruption of the pandemic, we supported 183 artists, welcomed 120,657 visits in person and received 5,023 digital audience members and participants to online events and

projects. In the year directly prior to the pandemic, 2019/20, the SLG welcomed over 160,000 visits and/or engagements. This followed an initial peak of 190,000 in the opening year of the Fire Station. As we emerge from the pandemic, our focus is on sustaining audience figures of at least 120,000 visits per year and working towards rebuilding to pre-pandemic levels over a number of years.

In a typical year the SLG attracts a young audience, a trend which continued in 21/22. Due to the pandemic, survey responses from 21/22 are compared here with the most recent pre-pandemic year (19/20) as no data was available for 20/21.

In 21/22, 62% of surveyed visitors were aged 16 – 34 (65% in 19/20), representative of a young local community (50% of Southwark's adult population is aged 20-30). The surveys showed that we increased the percentage of visitors from Black, Asian or ethnically diverse backgrounds to 33% (23% in 19/20). We also increased the percentage of visitors who identify as deaf, disabled or having a long-term health condition to 11% (4% in 19/20).

50% of people who completed the visitor surveys in 21/22 live within a 1km radius of the SLG. The metric is different to previous years where visitors were asked whether they live, work or study in Southwark, however the results are consistent. Our local area of Southwark experiences much higher than UK average levels of economic and social deprivation:

- 12th in Child Poverty rate;
- 7th in out of work benefits recipients;
- 6th in unemployment;
- 6th for overcrowded households;
- and 6th for 19-year-olds lacking qualifications.

It is the 41<sup>st</sup> most deprived local authority in England and the 12<sup>th</sup> most deprived borough in London. It is in this context that we run varied programmes to increase and sustain engagement from those who are least engaged, have protected characteristics and/or are less advantaged.

We collect and analyse data via visitor and project feedback and surveys, review sessions, digital insights, social media comments and staff feedback and project debriefs. Findings have been used to develop audience development tools and strategies as we continue to grow and diversify our visitors and participants.

## DIVERSITY AND INCLUSION

Embedding our Equality, Diversity and Inclusion aims in all our work is of vital importance to the SLG. We care deeply about becoming more diverse in terms of our programmes, audiences, staff and board and we recognise that we need to continue to work, with ever greater rigour, across a raft of measures. This includes rethinking strategies that aren't working. Over the next three years our core aim is to become known as a proudly diverse organisation, from our governance, staff and audiences, to our programmes and our work with local communities, to be a more innovative, relevant and exciting public space than ever before.

Artists in our programmes range from established figures to emerging talent and the SLG has consistently shown work by high numbers of Black, Asian and ethnically diverse artists. Our programme engages audiences from all backgrounds, including those less likely to interact with cultural institutions. All our venues are accessible and access is considered as an integral part of all programme planning. Access information is detailed online and with all event bookings and our team is trained in disability confident customer service. In 21/22 we piloted audio description tours of our

exhibitions and we are working with external consultants to review access across our programmes and venues.

During the pandemic we initiated Making Sense, a new Local Cultural Education Partnership with Mountview drama school, which empowers teaching of anti-colonialism, champions creative practice as a tool for social change and tackling inequalities and provides resources to support schools' Equality, Diversity and Inclusion objectives.

We work to attract and invest in a workforce and board that reflects and informs the diversity of our programme, audiences and participants, and is representative of our community and location within a culturally and ethnically diverse area of South London.

The SLG's staff has grown significantly over recent years, including new Traineeships and entry level roles in our Art & Play and Front of House teams, to increase access to the cultural sector for young people underrepresented in the industry. In 21/22 we completed our review of casual contracts to create more permanent opportunities, providing stability for our employees. Recruitment policies have been developed and refined to ensure transparency and access to promotional opportunities and routes for progression. A pay review in 21/22 ensured that lowest paid roles continued to be above London Living Wage, recognising the intersection between low pay and lack of diversity in the cultural sector workforce.

Currently, 61% of SLG Board members identify as Black, Asian or ethnically diverse. A recent staff survey shows that 31% of staff members identify as Black, Asian or ethnically diverse, 39% as LGBTQ+ and 25% as deaf, disabled or having a long-term health condition. We know that we have more work to do to address disparities within our team and to ensure that all levels of our workforce are diverse and representative of our community. We have made progress in some areas but are acutely aware that at manager level and above, our team is not yet representative of our community. Ongoing work is taking place in close consultation with staff and the Trustee to develop strategies to attract, retain and develop staff who identify as Black, Asian and ethnically diverse as well as those from socio-economic backgrounds which are underrepresented in the arts and cultural sector.

In the wake of George Floyd's murder and the resurgence of the Black Lives Matter movement in 2020, the SLG undertook a thorough review of its Diversity and Inclusion Action Plan which was published on our website. In 21/22 our established Equalities Advisory Committee made up of three SLG Trustees continued to meet quarterly with the Director and members of the Senior Management Team to ensure the SLG is accountable and to monitor progress against the Action Plan. In 22/23 a revised and updated Diversity & Inclusion Action Plan will be published.

## **DIGITAL REACH, INFRASTRUCTURE & PROGRAMMING**

On the SLG's digital channels in 21/22 we saw great engagement across platforms, as we focused on growing our reach and developing new online audiences.

We continued to gain traction on our website, with new visitors and returning ones: 182,691 users with 83.9% being a new user. In this time period 260,435 sessions took place, in comparison to 173,515 sessions in 20/21, an increase of 40%.

Social media was a key component of our digital strategy, with the aim to reach wider audiences and to share creative content. In this period Facebook had a reach of 150,145 with 2,932 visits to our page, up 100% on the previous year. Instagram reached 166,795 people with 47,822 visits to our account, up 43%.

Instagram followers increased significantly from 70.9k to 74.8k, Facebook grew to 38k likes and Twitter increased to 70k followers.

We continue to create new and exciting video content, to share the gallery's programme with digital audiences. Our YouTube video of a studio visit with artist Christina Quarles, released in June 2021, had over 480 views during the year. A video of a talk with artist Alvaro Barrington, released in December 2021, had over 528 views.

## ENVIRONMENTAL PERFORMANCE

The SLG has an environmental sustainability policy and action plan and has established a staff-led sustainability committee which meets bi-monthly to raise environmental awareness and promote best practice internally. In 2022 a board level Sustainability Committee will be formed, made up of members of the Senior Management, SLG Board and an external specialist.

Following a focus on the development of the Fire Station where the gallery worked with the architects and an environmental consultant to minimise the environmental impact of the building, our focus has turned back to the Victorian main gallery. The gallery achieved an important fundraising milestone in 21/22 raising the funds required to replace a gas fired air blower heating system from the 1980s with air source heating.

The benefits of installing this new, much more sustainable system include:

- an estimated 40% reduction in our environmental impact. The introduction of improved energy efficiencies with lower environmental impacts, carbon footprint: heat pumps generate much lower CO2 emissions than conventional heating systems;
- a significant reduction in our energy costs. We will also research opportunities to apply for the commercial Renewable Heat Incentive (RHI) payment scheme;
- leading the way for other galleries to install air source heat pumps, setting an example;
- the gallery will be more comfortable, encouraging visitors to stay for longer and make return visits;
- the space will be more appropriate for the display of often delicate and sensitive art works;
- and invigilators' working conditions will be improved, thereby enabling them to deliver a higher quality of service to our visitors.

The gallery has also continued to invest in the maintenance of its green spaces and encouraging biodiversity in the Orozco Garden and Fox Garden at the main building and a garden to the rear and planted terrace at the Fire Station. The SLG also worked in partnership with Southwark Council and local residents to develop a new playground and planted area on Elmington housing estate which was completed in 2021.

## FINANCIAL REVIEW

### Results for the year

Income for the year has increased from the previous year (21/22: £2,610,040; 20/21: £2,388,308; 19/20: £2,068,294) which included £514,419 of restricted and designated programme and operating funds to support the gallery's future sustainability through to the end of 22/23. Expenditure in the year also increased (21/22: £2,422,870; 20/21: £2,246,480; 19/20: £2,166,633).

The balance sheet at 31 March 2022 shows a net current asset position of £757,607 (20/21: £436,288; 19/20 £190,115). With depreciation, fixed assets on the balance sheet decreased to £5,445,786 (20/21: £5,587,608; 19/20: £5,700,347) having risen from £3,730,135 in 2017 reflecting the investment in building works at the former Peckham Road Fire Station.

The SLG has an excellent track record of financial management, due to a combination of good expert advice, the Director and Deputy Director's capacity for financial management, the support of the Treasurer, an active Personnel and Finance Committee and the involvement of a good quantity surveyor in capital projects.

The Trustee has reviewed the budget and cash flow forecast up to 23/24, which is prepared on a prudent basis. With the level of confirmed funding in place and the management's continual efforts on income generation and cost monitoring, the Trustee considers there are no material uncertainties which may impact on the going concern assumption.

## PRINCIPAL RISKS AND UNCERTAINTIES

The Trustee has undertaken a risk review and particularly looked at the level of confirmed income with which it operates. The Trustee has drawn up a risk register that lists all the identified risks and the results of their analysis and evaluation. Following this exercise, the Trustee reviews the reserves level that would form part of the set of measures designed to manage risks.

The Covid-19 pandemic has presented multiple risks and challenges to the SLG in the past two years. This included the inability to open to the public for extended periods due to government restrictions which in turn impacted on our ability to achieve our charitable objectives; reduced impact on our beneficiaries; impacted our ability to deliver upon grant conditions and make the case for future funding; reduced our earned income capacity from venue hires; reduced SLG Trading Ltd's profit potential which it typically gifts to the charity; and forced the postponement of a critical gallery fundraising event from 20/21 to 21/22.

As the cultural sector re-opened from May 2021, staff turnover increased sector-wide with people looking for change and re-evaluating their priorities after more than a year of lockdowns and social distancing restrictions. In October 2021, 25% of the SLG's office staff (excluding vacant positions) had joined the gallery since July 2021, including three of five key senior management personnel.

While there are many benefits to welcoming new staff with new voices and fresh perspectives, there is a considerable impact on staff resources during the recruitment, induction and training period as well as on team dynamics and organisational culture. The SLG recognises that this unprecedented level of staff change poses a risk to the organisation and as such has invested in careful management and support of new staff members as well as a new dedicated HR Manager post in place since December 2021.

The pandemic also placed many and varied pressures on staff in both their personal and professional lives. The SLG increased mental health and well-being support for staff during the pandemic including mental health awareness training; training Mental Health First Aiders across the gallery; an Employee Assistance Programme with free staff counseling; and mental health in the workplace training and tools for managers. All of these initiatives have continued throughout 21/22 and are now core elements for the SLG's staff policies and procedures.

Currently, inflation at record levels and the resulting rise in costs is a key risk for the SLG. As we emerge from the pandemic, the fundraising landscape is challenging.

Key fundraising risks include:

- That despite securing funding for a further three years from ACE as a National Portfolio Organisation, standstill funding in the context of high inflation represents a significant real-terms cut;
- the financial position of existing donors (individuals and companies) may continue to be impacted by Covid-19 and current high inflation;
- reduced annual visitor numbers compared with pre-Covid years impacts on the gallery's ability to generate commercial income (shop, café, venue hire, SLG skills);
- High inflation presents significant extra costs for the organisation – for example through increases to utilities bills and staff costs;
- Rising interest rates increases the cost of borrowing, for example the mortgage on the Artists' Flat.

The Trustee has worked with management to review the risks, develop strategies to mitigate them and ensure that contingency plans are in place and realisable. Plans in progress include:

- Reducing expenditure where possible;
- developing our digital infrastructure to increase capacity for commercial income generation and securing donations online;
- investing in a new Director of Development & Enterprise role to create a step change in the SLG's fundraising capacity and commercial income generation;
- pursuing new multi-year funding partnerships for the programme; and
- seeking sponsorship from major corporates for the exhibitions programme.

Other principal risks have been identified as:

Risk.	Action to Mitigate
Failure to secure funds for programme	<ul style="list-style-type: none"> <li>- regularly review fundraising strategy;</li> <li>- develop the fundraising team;</li> <li>- adjust activity in line with available funds;</li> <li>- and undertake scenario and contingency planning.</li> </ul>
Inadequate staff capacity to manage programme and operations	<ul style="list-style-type: none"> <li>- regularly review operational plan for the year ahead;</li> <li>- and recruit positions as required and funded.</li> </ul>
Harm to children or vulnerable adults	<ul style="list-style-type: none"> <li>- safeguarding training for staff and Trustee;</li> <li>- safeguarding policies and procedures followed and reviewed annually;</li> <li>- all education staff DBS checked every 2 years and all other staff every 4 years;</li> <li>- organisation wide Safeguarding Forum initiated</li> <li>- Board safeguarding lead role established.</li> </ul>

Personal injury	<ul style="list-style-type: none"> <li>- up to date H&amp;S policies and procedures communicated to all staff;</li> <li>- all staff and contractors to receive appropriate H&amp;S training;</li> <li>- adequate number of staff trained as first aiders;</li> <li>- risk assessments carried out of all gallery environments, installation processes, exhibitions and public activity;</li> <li>- appropriate levels of public and employer's liability insurance;</li> <li>- personal alarm in two gallery receptions;</li> <li>- and restrictions on lone working.</li> </ul>
Loss of data	<ul style="list-style-type: none"> <li>- moved to cloud based and backed up shared file storage;</li> <li>- and up-to-date virus protection.</li> </ul>

## RESERVES POLICIES AND GOING CONCERN

The reserves policy was reviewed by the Trustee. Reserves at 31 March 2022 were £175,739. The Trustee considers that this level of reserves, when considered with secure income and committed expenditure, is sufficient to ensure that the SLG is able to meet all its commitments until the end of 2023.

The reserves level of £175,739 reflects unrestricted, undesignated, cash reserves. This is a significant increase from the previous year when £38,681 was held as cash reserves. Total unrestricted funds for the charity are higher, and since the separation of the SLG from Southwark in 2003 these have not fallen to a level below £90,000.

In the 2014-15 financial year the SLG invested in the purchase of its artist-in-residence flat. This added a realisable capital asset to the balance sheet of £313,095, less a mortgage liability of £214,010. While this is not included in the reserves policy, it does provide further financial stability to the organisation.

The Trustee proposes to build its unrestricted, undesignated, cash reserves to a level sufficient to cover three months unrestricted core running costs. Based on longer-term projections the target is £250,000 to be built over a number of years.

## EVALUATION

We measure artistic success by responses from press, ACE artistic assessors, the art world and audiences. We collect data from participants and audiences for education activities and undertake in-depth evaluations for individual projects, often working with external evaluators. Forums and conferences provide opportunities for benchmarking and peer review.

All staff participate in evaluation and review, via data collection, project and programme reviews, an annual staff away-day as well as separate board and management team away days.

We evaluate management and capacity with management team, Board and Personnel and Finance Committee, take external advice and have an annual audit. Through this structure we also evaluate

risk, financial processes, fundraising plans, policies, resources and governance, highlighting risks in Board meetings.

Through an on-going cycle of self-assessment we are able to evaluate our work, reflect on what success looks like for us and build on lessons learnt which enables us to develop an ambitious and robust business plan.

## PLANS FOR THE FUTURE

Our vision for the next five years is to build on the SLG's work over the past two decades to become more inclusive, relevant, dynamic and ambitious than ever. We aspire to be internationally known for being a proudly diverse organisation, from our governance, staff and audiences to our programmes and work with local communities.

A range of new partnerships will support initiatives to nurture young talent and career development in the creative industries, and our reduced environmental impact will be clear to visitors and stakeholders. The SLG will continue to deliver world class exhibitions and education programmes in its award-winning, fully accessible, free spaces, at least maintaining current visitor figures whilst shifting our audience demographic to increase the number of disabled visitors and audiences from Black, Asian and ethnically diverse backgrounds. A review of our digital outputs, collections and archives will prioritise touring programmes and partnerships.

The SLG's long-term ambition is to become more widely recognised as one of London's leading contemporary art venues whilst also playing a leading role in the regeneration of the local area and bringing together diverse artists and audiences for its internationally acclaimed exhibitions and events presented in a distinctive and inspiring setting.

Objectives for 2022-23 are to:

- To deliver a high quality and ambitious artistic programme which profiles and supports talented artists, and sustains positive response in the press and from visitor feedback. In 2022-23 the artistic programme will focus on:
  - at least ten exhibitions in various combinations across all spaces, some of which will be born of national and/or international partnerships, including Bloomberg New Contemporaries, as well as solo exhibitions, and a major group show in collaboration with an external curator;
  - artist residencies in the Outset artists' flat, the Fire Station artists' studio and on neighbouring estates;
  - regular film screenings, talks and performance events in the Clore Studio, other SLG spaces and online, including the South by South contemporary African film programme, SLG Skills courses, and artists' talks;
- offering an engaging education programme and maximising the benefits for children, young people, adults and community groups with whom we work;
- a programme of events in a communal kitchen in the Fire Station, playing on the important role food and cooking play in culture and building on the rich history of artist-led projects with an emphasis on food and community;

- ensuring the SLG's audience development strategy is underpinned by a mission to build diverse and dedicated local, national and international audiences at the gallery, through off-site projects and online;
- embracing the scope of digital opportunities available, including delivering significant upgrades to the SLG's digital infrastructure through the Bloomberg Digital Accelerator Programme;
- delivering an ambitious but well-researched and achievable fundraising plan, which focuses on generating funding from individuals, trusts, foundations, the National Lottery, embassies, sponsorship and fundraising events alongside thriving commercial initiatives through the café, bookshop, venue hire, and artists' editions;
- and playing a leading role in providing inspiring, free, public space and events to diverse audiences at a time of rapid change and regeneration in Peckham and Camberwell, and sustaining partnerships with diverse groups and organisations across the local area.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

The South London Gallery is an unincorporated registered charity no. 312160. It is managed by a corporate trustee which is a registered company no. 4720002. The corporate trustee is called The SLG Trustee Limited and has a board of directors.

The directors on the board of The SLG Trustee Ltd have no beneficial interest in the charity other than those disclosed in note 7.

The Trustee's board of directors meets quarterly to discuss the charity's activities and review its operational management. The minimum number of directors is three and the maximum sixteen. The board appoints a Director to manage the Gallery who works closely with a management team consisting of the Deputy Director, Director of Development & Enterprise, Head of Programme, Head of Education and Head of Communications.

The SLG Trustee Ltd decides on all financial and strategic matters. Implementation of these decisions is delegated to the staff who report back to the Trustee at board meetings.

The charity is an Arts Council England National Portfolio Organisation and is currently in receipt of a one-year funding agreement to March 2023. An application made in May 2022 to ACE for three-year funding from 2023 – 2026 was successful, with funds secured at the same level as the current year. Historically the charity has had a strong relationship with the London Borough of Southwark and still works closely with the Council to deliver its charitable objectives and in particular the management of the gallery's art collection.

## RELATED PARTIES AND RELATIONSHIPS WITH OTHER ORGANISATIONS

The charity's corporate trustee, the SLT Trustee Ltd, is also the sole shareholder of SLG Trading Ltd. At the discretion of its Directors, SLG Trading Ltd gift aids its profits to the South London Gallery.

## APPOINTMENT OF DIRECTORS

The charity keeps a skills register of existing directors and recruits through a variety of networks and word of mouth to meet specific skills requirements when vacancies arise.

Three directors are appointed from the London Borough of Southwark and are nominated by the party they represent (i.e. Labour, Conservative and Liberal Democrat).

## **DIRECTORS' INDUCTION AND TRAINING**

New directors receive an induction pack which includes the charity's constitution and various articles about the responsibilities of company directors and charity trustees. They also meet the gallery's Director and/or Deputy Director for an in-depth induction on the work of the gallery and an update on current developments. All directors give their time voluntarily and receive no benefits from the charity.

Ongoing support is available for directors, including training, as part of the gallery's training and development plan and budget.

## **FUNDRAISING PRACTICE**

Fundraising is led by the Director working closely with the Deputy Director, Senior Development Manager and Development Managers, as well as departmental heads and managers who make a significant contribution to raising funds for the gallery's wide-ranging activity.

The SLG is registered with the Levy of the Fundraising Regulator, demonstrating our commitment to good fundraising practice. As part of this, the SLG has committed to abide by the Regulator's Code of Fundraising Practice and to the Fundraising Promise to ensure that our fundraising practice protects vulnerable people. The SLG does not solicit funds via methods such as cold-call or leafleting and the SLG does not work with professional fundraisers. There were no complaints regarding the SLG's fundraising practice in the year.

The SLG has a fundraising policy which sets out the charity's commitment and responsibilities to ensure supporters can give in confidence to the SLG and that the organisation has clear decision-making processes in place for both accepting and refusing donations.

The SLG is registered with the ICO and has a privacy policy to ensure the appropriate collection, retention and use of personal information.

## **REMUNERATION POLICY FOR KEY MANAGEMENT PERSONNEL**

The SLG has a remuneration policy that sets out the pay policy for artists, freelance contractors and salaried staff.

While each role is different in its duties and responsibilities, the SLG has set pay levels, in line with sector benchmarks, which assists the Personnel and Finance Committee and the Trustee when making salary decisions.

Rates of pay are reviewed across the organisation annually, usually for the start of the new financial year.

Cost of living rises are assessed in the light of CPI and organisational budgets.

SLG salary levels for different job groups are assessed in the light of CPI as above, organisational budgets and sector pay levels.

All increases are discretionary and subject to the approval of the Board.

It is the SLG's policy to pay everyone equal pay for equal work in line with The Equality Act 2010.

The South London Gallery is a London Living Wage (LLW) employer.

## STATEMENT OF THE TRUSTEE'S RESPONSIBILITIES

Law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period.

In preparing financial statements giving a true and fair view, the Trustee should follow best practice and:

- Selects suitable accounting policies and then apply them consistently
- Observes the methods and principles in the Charities SORP
- Makes judgements and estimates that are reasonable and prudent
- States whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepares the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Trustee is responsible for keeping proper 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. 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.

The Trustee is responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Auditors

Sayer Vincent LLP was re-appointed as the Charity's auditors during the year and have expressed their willingness to continue in that capacity.

The Trustee's annual report has been approved by the Trustee on the 28 November 2022 and signed on their behalf by

Serge Ramin  
Chair

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF SOUTH LONDON FINE ART GALLERY AND LIBRARY

### Opinion

We have audited the financial statements of South London Fine Art Gallery and Library (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

### Basis for opinion

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

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's 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 South London Fine Art Gallery and Library'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 Trustee with respect to going concern are described in the relevant sections of this report.

### Other Information

The other information comprises the information included in the Trustee's annual report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the annual report. 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. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- The information given in the Trustee's annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

### **Responsibilities of Trustee**

As explained more fully in the statement of trustee's responsibilities set out in the Trustee's annual report, the Trustee is 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 the Trustee determines 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 Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

### Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the Finance and Personnel Committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charity's Trustee as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustee 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 and the charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

8 December 2022

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

## IMAGE CREDITS

1. theVov | Chris Burden at the South London Gallery.
2. SLG Archive.
3. Art Assassins.
4. Sunday Spot.
5. Illustration by Jhinuk Sarkar.
6. Elmington Estate Workshop.
7. Photo: Andy Stagg, 2021.
8. NC Live, Mataio Austin Dean, Femi Dawkins and Rafat Zajko.
9. *Bloomberg New Contemporaries*, Main Gallery, Photo by Andy Stagg, 2021
10. Installation view of Chris Burden's 2006 exhibition *Magnolia Double Lamps*. Photo: Andy Stagg.
11. *Bloomberg New Contemporaries 2020*, installation view at the South London Gallery. Photo: Andy Stagg.
12. Art Assassins, *An archive by other means*, 2021, installation view at the South London Gallery. Photograph: Sam Nightingale.
13. Installation view of *Christina Quarles: In Likeness*, 2021. Photo: Andy Stagg.
14. Installation view of *Sarah Staton: Supastore Southside, Slingbacks & Sunshine*, 2021.
15. Photo: Andy Stagg, 2021.
16. Rita Keegan, *Trophies Revised*, detail, 2021. Courtesy the artist. Installation view at the South London Gallery. Photo: Andy Stagg.
17. Photo: Andy Stagg, 2021.
18. Photo: Andy Stagg, 2021.
19. Elephant Park Project.
20. Making Sense is a partnership between the South London Gallery (SLG) and University of the Arts London (UAL).
21. Rumpus Room, *Playing for the Future*, 2021, installation view at Art Block. Photo: Andy Stagg.
22. SLG: Leah Morris.
23. Charlie Damigos.
24. Katherine Smith *Flying Silver Worlds*.
25. The Art Assassins, working to produce their zine *Honey Locust Baby*.
26. Art Assassins session with Laila Majid.
27. *Places Never Seen*: A youth led, digital exploration of the 1911 Festival of Empire.

South London Fine Art Gallery and Library

Statement of financial activities

For the year ended 31 March 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
<b>Income from:</b>							
Donations and legacies	2	1,203,895	-	1,203,895	1,722,029	-	1,722,029
Charitable activities	3	147,870	919,578	1,067,448	93,714	508,496	602,210
Other trading activities	4	338,697	-	338,697	64,069	-	64,069
<b>Total income</b>		<b>1,690,462</b>	<b>919,578</b>	<b>2,610,040</b>	<b>1,879,812</b>	<b>508,496</b>	<b>2,388,308</b>
<b>Expenditure on:</b>							
Raising funds	5	546,640	-	546,640	424,005	-	424,005
Charitable activities Exhibitions & live art, education &	5	1,120,863	755,367	1,876,230	1,280,703	541,772	1,822,475
<b>Total expenditure</b>		<b>1,667,503</b>	<b>755,367</b>	<b>2,422,870</b>	<b>1,704,708</b>	<b>541,772</b>	<b>2,246,480</b>
<b>Net income / (expenditure) for the year</b>		<b>22,959</b>	<b>164,211</b>	<b>187,170</b>	<b>175,104</b>	<b>(33,276)</b>	<b>141,828</b>
Transfers between funds	17	(2,173)	2,173	-	(834)	834	-
<b>Net movement in funds</b>		<b>20,786</b>	<b>166,384</b>	<b>187,170</b>	<b>174,270</b>	<b>(32,442)</b>	<b>141,828</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		356,354	5,461,636	5,817,990	182,084	5,494,078	5,676,162
<b>Total funds carried forward</b>		<b>377,140</b>	<b>5,628,020</b>	<b>6,005,160</b>	<b>356,354</b>	<b>5,461,636</b>	<b>5,817,990</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

## South London Fine Art Gallery and Library

### Balance sheet

As at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets:</b>			
Tangible assets	10	<u>5,445,786</u>	<u>5,587,608</u>
<b>Current assets:</b>			
Stocks	11	25,311	5,256
Debtors	12	411,796	229,169
Cash at bank and in hand		578,488	543,279
		<u>1,015,595</u>	<u>777,704</u>
<b>Liabilities:</b>			
Creditors: amounts falling due within one year	13	<u>257,988</u>	<u>341,416</u>
<b>Net current assets</b>		<u>757,607</u>	<u>436,288</u>
<b>Total assets less current liabilities</b>		<u>6,203,393</u>	<u>6,023,896</u>
Creditors: amounts falling due after one year	15	<u>198,233</u>	<u>205,906</u>
<b>Total net assets</b>	16	<u><u>6,005,160</u></u>	<u><u>5,817,990</u></u>
<b>The funds of the charity:</b>	17		
Restricted income funds		5,628,020	5,461,636
Unrestricted income funds:			
Designated funds		201,401	317,673
General funds		175,739	38,681
Total unrestricted funds		<u>377,140</u>	<u>356,354</u>
<b>Total charity funds</b>		<u><u>6,005,160</u></u>	<u><u>5,817,990</u></u>

Approved by the Trustee on 28 November 2022 and signed on their behalf by

Serge Ramin  
Chair

South London Fine Art Gallery and Library

Statement of cash flows

For the year ended 31 March 2022

	Note	2022 £	£	2021 £	£
<b>Net income for the reporting period (as per the statement of financial activities)</b>		<b>187,170</b>		141,828	
Depreciation charges		140,129		135,910	
Loss on disposal of fixed assets		1,693		2,509	
(Increase) in stocks		(20,055)		(875)	
(Increase)/decrease in debtors		(182,627)		883	
(Decrease)/increase in creditors		(83,027)		97,068	
<b>Net cash provided by operating activities</b>		<b>43,283</b>		<b>377,323</b>	
<b>Cash flows from investing activities:</b>					
Purchase of fixed assets		-		(25,680)	
<b>Net cash used in investing activities</b>					(25,680)
<b>Cash flows from financing activities:</b>					
Repayments of borrowing		(8,074)		(7,334)	
<b>Net cash used in financing activities</b>		<b>(8,074)</b>		<b>(7,334)</b>	
<b>Change in cash and cash equivalents in the year</b>	a	<b>35,209</b>		<b>344,309</b>	
Cash and cash equivalents at the beginning of the		<b>543,279</b>		<b>198,970</b>	
<b>Cash and cash equivalents at the end of the year</b>		<b>578,488</b>		<b>543,279</b>	

a Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	Other non- cash changes £	At 31 March 2022 £
Cash	543,279	35,209	-	<b>578,488</b>
<b>Total cash and cash equivalents</b>	<b>543,279</b>	<b>35,209</b>	-	<b>578,488</b>
Loans falling due within one year	(8,104)	401	-	(7,703)
Loans falling due after more than one year	(205,906)	7,673	-	(198,233)
<b>Total</b>	<b>329,269</b>	<b>43,283</b>	-	<b>372,552</b>

South London Fine Art Gallery and Library

Notes to the financial statements

For the year ended 31 March 2022

2 Income from donations and legacies

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Arts Council England – NPO Arts Council England – Culture Recovery Fund (and in 2021 Emergency Response funding)	826,345	–	826,345	826,345	–	826,345
London Borough of Southwark Coronavirus Job Retention Scheme Donations	193,455	–	193,455	537,588	–	537,588
	83,500	–	83,500	38,833	–	38,833
	21,809	–	21,809	233,743	–	233,743
	78,786	–	78,786	85,520	–	85,520
	<b>1,203,895</b>	<b>–</b>	<b>1,203,895</b>	<b>1,722,029</b>	<b>–</b>	<b>1,722,029</b>

3 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
<b>Exhibitions &amp; live art, education &amp; events</b>						
BBC Children in Need	–	31,649	31,649	–	24,506	24,506
Fidelity UK Foundation	–	143,050	143,050	–	–	–
Foyle Foundation	–	30,000	30,000	–	–	–
Freelands Foundation	–	146,153	146,153	–	134,790	134,790
Henry Moore Foundation	–	–	–	–	20,000	20,000
Heritage Lottery Fund	–	335,639	335,639	–	44,553	44,553
Southwark Council	–	34,795	34,795	–	82,395	82,395
Mountview Academy	–	40,164	40,164	–	–	–
South London and Maudsley (SLaM)	–	–	–	–	–	–
NHS Foundation Trust	–	20,645	20,645	–	–	–
Trusts & Foundations	–	67,140	67,140	–	145,160	145,160
Cultural Institutions, Embassies & Galleries	–	–	–	–	1,000	1,000
Other donations	–	70,241	70,241	–	46,278	46,278
Other educational services	24,250	102	24,352	8,865	–	8,865
Sponsorship	94,542	–	94,542	33,000	–	33,000
Museums and galleries exhibition tax relief	29,078	–	29,078	51,849	–	51,849
<b>Fire station project</b>						
White Cube	–	–	–	–	10,000	10,000
Heritage Lottery Fund	–	–	–	–	(186)	(186)
<b>Total income from charitable activities</b>	<b>147,870</b>	<b>919,578</b>	<b>1,067,448</b>	<b>93,714</b>	<b>508,496</b>	<b>602,210</b>

4 Income from other trading activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Sales of Editions, publications and products	279,206	–	279,206	63,548	–	63,548
Distribution From SLG Trading	36,130	–	36,130	379	–	379
Venue Hire	23,260	–	23,260	–	–	–
Miscellaneous income	101	–	101	142	–	142
	<b>338,697</b>	<b>–</b>	<b>338,697</b>	<b>64,069</b>	<b>–</b>	<b>64,069</b>

## South London Fine Art Gallery and Library

### Notes to the financial statements

#### For the year ended 31 March 2022

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#### 1 Accounting policies

##### a) Statutory information

South London Fine Art Gallery and Library is an unincorporated charity registered with the Charity Commission in England and Wales. The registered office address and principal place of business is 65-67 Peckham Road, London, SE5 8UH.

##### b) Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

##### c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

##### d) Going concern

The Trustee has reviewed the budget and cash flow forecast up to 23/24, which is prepared on a prudent basis. Unrestricted and undesignated funds stand at £175,739 (2021: £38,681). With the level of confirmed funding in place and the management's continual efforts on income generation and cost monitoring, the Trustee considers there are no material uncertainties which may impact on the going concern assumption.

The Trustee does not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

##### e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

**1 Accounting policies (continued)**

**e) Income (continued)**

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**f) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**g) Interest receivable**

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

**h) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

**i) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling under any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

## South London Fine Art Gallery and Library

### Notes to the financial statements

For the year ended 31 March 2022

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#### 1 Accounting policies (continued)

##### j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity:

● Raising funds	20%
● Exhibitions & live art, education & events	80%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

##### k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

##### l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Freehold improvements, including the Fire Station	50 years
● Long leasehold – improvements	5–50 years
● Phase 2 freehold and leasehold improvements	50 years
● Office equipment	3 years
● Fixtures and fittings	15 years

Included within tangible fixed assets are freehold property and the Fire Station, both legally owned by SLG Trustee Limited. The freehold property was purchased with a mortgage also in the name of SLG Trustee Limited. However, the Gallery has the benefit of these assets and makes repayments to the mortgage and payments to the contractor directly, the Trustee has considered that it is more appropriate to show both the asset and the commitment in Gallery accounts.

##### m) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

##### n) 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.

##### o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

**1 Accounting policies (continued)**

**p) Creditors and provisions**

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.

**q) Pensions**

Southwark Council have taken responsibility for any closure deficit arising on the termination of the charity's pension admission agreement relating to the defined benefit scheme. As the Council has agreed to take responsibility for any closure deficits, this means the SLG no longer has any liability for such a deficit. The pension cost charge represents contributions payable under the scheme by the Gallery to the fund. The cost of providing pension and related benefits is charged to the SoFA over the employees' service lives on the basis of a constant percentage of earnings which is an estimate of the regular cost.

The Gallery operates a defined contribution pension scheme which is available to all employees. The pension cost charge represents contributions payable under the scheme by the Gallery to the fund. South London Gallery has no liability under the scheme other than for the payment of those contributions.

**r) Heritage assets**

The works of art owned by the gallery are not recognised in the financial statements on the basis that they are heritage assets and the Trustee considers the cost of obtaining the valuation would outweigh the additional benefit derived by the users of the accounts. Further information is provided in note 18.

**s) Financial instruments**

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

South London Fine Art Gallery and Library

Notes to the financial statements

For the year ended 31 March 2022

5a Analysis of expenditure (current year)

	Cost of raising funds £	Charitable activities Exhibitions & live art, education & events £	Governance costs £	Support costs £	2022 Total £	2021 Total £
Staff costs (Note 7)	186,402	748,304	10,140	335,124	1,279,970	1,305,147
Freelance & consultancy costs	65,241	183,709	-	81,942	330,892	253,096
Training expenses	-	615	-	13,957	14,572	29,081
Marketing & publicity	58,107	56,028	-	-	114,135	89,308
Transport and installation	7,025	27,918	-	15	34,958	50,774
Premises costs	-	17,438	-	90,731	108,169	91,629
Insurance	-	112	-	25,640	25,752	34,534
Repairs & maintenance	-	7,815	-	59,333	67,148	53,067
Travel, accommodation & per diems	233	3,353	-	2,300	5,886	224
Furniture & equipment	-	-	-	-	-	6,624
Equipment hire	415	10,886	-	4,802	16,103	4,282
Materials	3,588	55,449	-	7,162	66,199	48,306
Office expenses	513	1,392	-	44,601	46,506	49,534
Postage & stationery	267	532	-	5,040	5,839	1,555
Publications & subscriptions	6,034	1,968	-	4,699	12,701	3,188
Audit & accountancy	-	-	19,172	33,259	52,431	22,014
Depreciation and gains/losses on disposals of fixed assets	-	-	-	141,743	141,743	138,418
Management charge	27,042	-	-	-	27,042	8,995
Irrecoverable VAT	8,400	27,215	-	37,209	72,824	56,704
	363,267	1,142,734	29,312	887,557	2,422,870	2,246,480
Support costs	177,511	710,046	-	(887,557)	-	-
Governance costs	5,862	23,450	(29,312)	-	-	-
<b>Total expenditure 2022</b>	<b>546,640</b>	<b>1,876,230</b>	<b>-</b>	<b>-</b>	<b>2,422,870</b>	<b>2,246,480</b>

South London Fine Art Gallery and Library

Notes to the financial statements

For the year ended 31 March 2022

5a Analysis of expenditure (prior year)

	Cost of raising funds £	Charitable activities Exhibitions & live art, education & events £	Governance costs £	Support costs £	2021 Total £
Staff costs (Note 7)	209,884	820,958	9,494	264,811	1,305,147
Freelance & consultancy costs	-	231,514	-	21,582	253,096
Training expenses	-	-	-	29,081	29,081
Transport and installation	-	50,774	-	-	50,774
Marketing & publicity	48,825	40,483	-	-	89,308
Premises costs	-	-	-	91,629	91,629
Insurance	-	-	-	34,534	34,534
Repairs & maintenance	-	-	-	53,067	53,067
Travel, accommodation & per diems	-	-	-	224	224
Furniture & equipment	-	-	-	6,624	6,624
Equipment hire	-	4,282	-	-	4,282
Materials	-	48,306	-	-	48,306
Office expenses	-	-	-	49,534	49,534
Postage & stationery	-	-	-	1,555	1,555
Publications & subscriptions	-	951	-	2,237	3,188
Audit & accountancy	-	-	13,903	8,111	22,014
Depreciation (fixed assets)	-	-	-	138,418	138,418
Management charge	8,995	-	-	-	8,995
Irrecoverable VAT	-	-	-	56,704	56,704
	267,704	1,197,268	23,397	758,111	2,246,480
Support costs	151,622	606,489	-	(758,111)	-
Governance costs	4,679	18,718	(23,397)	-	-
<b>Total expenditure 2021</b>	<b>424,005</b>	<b>1,822,475</b>	<b>-</b>	<b>-</b>	<b>2,246,480</b>

## South London Fine Art Gallery and Library

### Notes to the financial statements

#### For the year ended 31 March 2022

#### 6 Net income for the year

This is stated after charging:

	2022 £	2021 £
Depreciation	140,129	135,910
Loss on disposal of fixed assets	1,693	2,509
Operating lease rentals:		
Property	13,180	13,180
Equipment	-	5,115
Auditor's remuneration (excluding VAT):		
Audit – current year	14,100	12,650
Audit – prior year	5,048	1,250
Other services	9,910	4,321
	<u>140,129</u>	<u>135,910</u>

#### 7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	1,101,194	1,127,938
Redundancy costs	-	3,209
Social security costs	85,777	88,113
Employer's contribution to defined contribution pension scheme	64,429	66,603
Employer's contribution to Southwark Council defined benefit pension	16,598	16,470
Recruitment and other staff costs	11,972	2,814
	<u>1,279,970</u>	<u>1,305,147</u>

The following number of employees received over £60,000 employee benefits (excluding employer pension costs) during the year:

	2022 No.	2021 No.
£90,000 – £99,999	<u>1</u>	<u>1</u>

The total employee benefits (including employer's pension contributions and employer's national insurance) of the key management personnel were £349,978 (2021: £340,639).

The charity directors were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). In 2022 no trustees received payment for services to the charity (2021: £150).

Directors' expenses represents the payment or reimbursement of travel and subsistence costs to members relating to attendance at meetings of the directors. No expenses were claimed by directors in 2022 or 2021.

## South London Fine Art Gallery and Library

### Notes to the financial statements

#### For the year ended 31 March 2022

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#### 8 Staff numbers

The average number of employees (head count based on number of staff employed, and full time equivalent) during the year was as follows:

	Headcount		Full-time equivalent	
	2022 No.	2021 No.	2022 No.	2021 No.
Fundraising and publicity	4.6	5.5	4.0	2.3
Exhibitions	49.0	50.4	22.3	29.7
Support	13.3	11.9	9.5	10.2
Governance	0.1	0.1	0.1	0.1
	<u>67.0</u>	<u>67.9</u>	<u>35.9</u>	<u>42.3</u>

#### 9 Related party transactions

During the year the Charity incurred sales commissions payable to SLG Trading Ltd of £27,042 (2021: £8,383). SLG Trading Ltd incurred management charges payable to the Charity of £7,502 (2021: £4,821). In addition, the Charity made sales of goods and services to SLG Trading Ltd of £42,141 (2021: £28,295) and purchased goods and services from SLG Trading Ltd of £1,176 (2021: £889). SLG Trading covenanted its profit of £36,130 (2021: £379) to the Charity.

Eight trustees (2021: six) made donations during the year, a total of £9,664 (2021: £10,860) including VAT and fees. Directors also occasionally purchase artwork from SLG at the normal market price.

South London Fine Art Gallery and Library

Notes to the financial statements

For the year ended 31 March 2022

10 Tangible fixed assets	Freehold improvements	Fire Station building	Long leasehold improvements	Phase 2 freehold and leasehold improvements		Office equipment	Fixture and fittings	Total
				£	£			
<b>Cost</b>								
At the start of the year	535,270	3,535,488	320,467	1,787,728	100,077	250,551	6,529,581	
Disposals in year	-	-	-	-	-	(7,493)	(7,493)	
At the end of the year	535,270	3,535,488	320,467	1,787,728	100,077	243,058	6,522,088	
<b>Depreciation</b>								
At the start of the year	102,472	173,078	45,016	391,996	99,563	129,848	941,973	
Charge for the year	7,555	70,710	12,547	35,755	514	13,048	140,129	
Released on disposal	-	-	-	-	-	(5,800)	(5,800)	
At the end of the year	110,027	243,788	57,563	427,751	100,077	137,096	1,076,302	
<b>Net book value</b>								
At the end of the year	425,243	3,291,700	262,904	1,359,977	-	105,962	5,445,786	
At the start of the year	432,798	3,362,410	275,451	1,395,732	514	120,703	5,587,608	

All of the above assets are used for charitable purposes. The donated asset under Fire Station building represents the reinstatement cost assessment value of the fire station building at the date the lease was signed.

South London Fine Art Gallery and Library

Notes to the financial statements

For the year ended 31 March 2022

<b>11 Stocks</b>		
	2022	2021
	£	£
Finished goods	25,311	5,256
	<u>25,311</u>	<u>5,256</u>
<b>12 Debtors</b>		
	2022	2021
	£	£
Trade debtors	122,537	51,781
VAT Debtor	-	672
Due from SLG Trading	153,577	34,589
Prepayments	15,600	14,138
Accrued income	120,082	127,989
	<u>411,796</u>	<u>229,169</u>
<b>13 Creditors: amounts falling due within one year</b>		
	2022	2021
	£	£
Mortgage loan	7,703	8,104
Deferred income (note 14)	40,383	33,710
Trade creditors	67,587	158,589
Taxation and social security	19,065	22,317
VAT Creditor	5,337	-
Other creditors	(263)	7,319
Accruals	118,176	111,377
	<u>257,988</u>	<u>341,416</u>
<b>14 Deferred income</b>		
Deferred income comprises grants and donations received in the year which relate to activity in a future period.		
	2022	2021
	£	£
Balance at the beginning of the year	33,710	29,888
Amount released to income in the year	(33,710)	(29,888)
Amount deferred in the year	40,383	33,710
	<u>40,383</u>	<u>33,710</u>
Balance at the end of the year		
<b>15 Creditors: amounts falling due after one year</b>		
	2022	2021
	£	£
Mortgage loan	198,233	205,906
	<u>198,233</u>	<u>205,906</u>
The loan facilities are repayable as follows:		
• Under one year	7,703	8,104
• Between one and two years	7,943	8,464
• Between two and five years	26,211	27,228
• Over five years	164,079	170,214
	<u>205,936</u>	<u>214,010</u>

The SLG has a loan with Charity Bank to finance the purchase of the artists flat. The loan is repayable in monthly instalments from January 2015 to December 2039, with a full review every 5 years. Interest is payable monthly at a rate of 3.5% from October 2020 (previously 4.5%) above the Bank of England base rate per annum.

The Charity Bank holds a fixed legal charge over the leasehold interest in the flat as security against the loan.

South London Fine Art Gallery and Library

Notes to the financial statements

For the year ended 31 March 2022

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	333,487	5,112,299	5,445,786
Net current assets	175,739	66,147	515,721	757,607
Long term liabilities	-	(198,233)	-	(198,233)
<b>Net assets at the end of the year</b>	<b>175,739</b>	<b>201,401</b>	<b>5,628,020</b>	<b>6,005,160</b>

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	354,048	5,233,560	5,587,608
Net current assets	38,681	169,531	228,076	436,288
Long term liabilities	-	(205,906)	-	(205,906)
<b>Net assets at the end of the year</b>	<b>38,681</b>	<b>317,673</b>	<b>5,461,636</b>	<b>5,817,990</b>

17a Movements in funds (current year)

	At the start of the year £	Income and gains £	Expenditure and losses £	Transfers £	At the end of the year £
<b>Restricted funds:</b>					
Fixed Assets	5,233,560	-	(121,261)	-	5,112,299
BBC Children in Need	-	31,649	(26,584)	-	5,065
Fidelity UK Foundation	-	143,050	(19,270)	-	123,780
Freelands Foundation	134,561	146,153	(133,814)	-	146,900
Heritage Lottery Fund	-	335,639	(172,422)	-	163,217
Mountview Academy	-	40,164	(42,337)	2,173	-
SLaM NHS Foundation Trust	-	20,645	(10,513)	-	10,132
Southwark Council	-	34,795	(31,924)	-	2,871
Other restricted funds	93,515	167,483	(197,242)	-	63,756
<b>Total restricted funds</b>	<b>5,461,636</b>	<b>919,578</b>	<b>(755,367)</b>	<b>2,173</b>	<b>5,628,020</b>
<b>Unrestricted funds:</b>					
<b>Designated funds:</b>					
Fixed Assets	354,048	-	(20,483)	(78)	333,487
Mortgage liability	(214,010)	-	-	8,074	(205,936)
Current Assets: Stocks	5,256	-	-	20,055	25,311
Other designated funds	172,379	26,577	(151,617)	1,200	48,539
<b>Total designated funds</b>	<b>317,673</b>	<b>26,577</b>	<b>(172,100)</b>	<b>29,251</b>	<b>201,401</b>
<b>General funds</b>	<b>38,681</b>	<b>1,663,885</b>	<b>(1,495,403)</b>	<b>(31,424)</b>	<b>175,739</b>
<b>Total unrestricted funds</b>	<b>356,354</b>	<b>1,690,462</b>	<b>(1,667,503)</b>	<b>(2,173)</b>	<b>377,140</b>
<b>Total funds</b>	<b>5,817,990</b>	<b>2,610,040</b>	<b>(2,422,870)</b>	<b>-</b>	<b>6,005,160</b>

The transfers between funds represents amounts transferred from general funds to the Mortgage Liability fund and the designated Fixed Assets fund. Transfers to restricted funds from general funds are to cover shortfalls in funding where the costs of the project were in excess of restricted funding received.

South London Fine Art Gallery and Library

Notes to the financial statements

For the year ended 31 March 2022

17b Movements in funds (prior year)

	At the start of the year £	Income and gains £	Expenditure and losses £	Transfers £	At the end of the year £
<b>Restricted funds:</b>					
Fixed Assets	5,339,221	-	(127,142)	21,481	5,233,560
BBC Children in Need	-	24,506	(24,506)	-	-
Freelands Foundation	106,917	134,790	(107,146)	-	134,561
Heritage Lottery Fund	-	44,553	(44,553)	-	-
Henry Moore Foundation	-	20,000	(20,000)	-	-
Southwark Council	-	82,395	(82,395)	-	-
Other Fire Station restricted funds	17,755	9,814	(8,736)	(18,833)	-
Other restricted funds	30,185	192,438	(127,294)	(1,814)	93,515
<b>Total restricted funds</b>	<b>5,494,078</b>	<b>508,496</b>	<b>(541,772)</b>	<b>834</b>	<b>5,461,636</b>
<b>Unrestricted funds:</b>					
<b>Designated funds:</b>					
Fixed Assets	361,126	-	(11,277)	4,199	354,048
Mortgage liability	(221,344)	-	-	7,334	(214,010)
Current Assets: Stocks	4,381	-	875	-	5,256
Other designated funds	687	172,379	(687)	-	172,379
<b>Total designated funds</b>	<b>144,850</b>	<b>172,379</b>	<b>(11,089)</b>	<b>11,533</b>	<b>317,673</b>
<b>General funds</b>	<b>37,234</b>	<b>1,707,433</b>	<b>(1,693,619)</b>	<b>(12,367)</b>	<b>38,681</b>
<b>Total unrestricted funds</b>	<b>182,084</b>	<b>1,879,812</b>	<b>(1,704,708)</b>	<b>(834)</b>	<b>356,354</b>
<b>Total funds</b>	<b>5,676,162</b>	<b>2,388,308</b>	<b>(2,246,480)</b>	<b>-</b>	<b>5,817,990</b>

**Purposes of restricted funds**

**Fixed Assets**

This fund represents the net book value of freehold and leasehold improvements, computer and office equipment, and fixtures and fittings purchased with restricted income.

**Southwark Council**

Grants for exhibitions, events, education and outreach programmes, staff costs and gallery facilities.

**BBC Children in Need, Freelands Foundation, SLaM NHS Foundation Trust and Mountview Academy**

Grants for education and outreach programmes

**Henry Moore Foundation**

Grants for exhibitions and installations

**Heritage Lottery Fund**

Funds for management and maintenance of the Fire Station building

**Fidelity UK Foundation**

Grant towards digital, marketing and audience development to reach new audiences; and consultancy for strategy development.

**Other restricted funds**

Grants and donations related to individual exhibitions and education projects which are funded by a variety of sources.

**17 Movements in funds (continued)**

**Purposes of designated funds**

**Fixed Assets**

This fund represents the net book value of additions to fixed assets relating to freehold and leasehold improvements and fixtures and fittings.

**Mortgage liability**

This fund represents the balance of the capital liability outstanding on the mortgage. Transfers will be made to the fund in future periods as repayments are made.

**Current Assets: Stocks**

This fund represents the net book value of stock at the year end.

**Other designated funds**

The Trustee has set aside funds for project expenditure. This includes £40,000 received as joint winner of the Art Fund Museum of the Year 2020.

**18 The Gallery Collection**

The gallery holds a Collection of art works which were acquired through donation and purchased from 1891 to the present day.

It was agreed that it would be desirable for the Collection to be kept together and cared for by the local authority. Consequently the Collection is maintained and managed by London Borough of Southwark as local authority on behalf of the gallery in accordance with a loan agreement covering a period of twenty-five years from the independence of the Gallery in October 2003.

The Collection is considered to be a heritage asset. Under FRS102 charities are not required to recognise heritage assets on the balance sheet if information on their cost or valuation cannot be obtained at a cost commensurate with the benefit to the users of the accounts and the charity.

The Trustee has been unable to obtain reliable cost information on the artefacts, as most of these were acquired a number of years ago. Given the size of the collection, which includes over 2,000 items, significant costs would be involved in valuation.

The Trustee considers the cost of obtaining the valuation would outweigh the additional benefit derived by the users of the accounts. For this reason the Collection of art works has been excluded from the accounts.

For insurance purposes the collection has been valued at £7,500,000.

**19 Taxation**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**20 Operating lease commitments**

The charity's total future minimum lease payments under non-cancellable operating leases are as follows for each of the following periods

	Property		Equipment	
	2022	2021	2022	2021
	£	£	£	£
Less than 1 year	13,180	13,180	2,104	2,664
1 - 5 Years	6,590	19,770	1,578	4,208
	<b>19,770</b>	<b>32,950</b>	<b>3,682</b>	<b>6,872</b>

**21 Ultimate controlling party**

The company's ultimate parent undertaking and controlling party is The SLG Trustee Limited, a company limited by guarantee (number: 04720002). Copies of the consolidated financial statements are available from Companies House.

