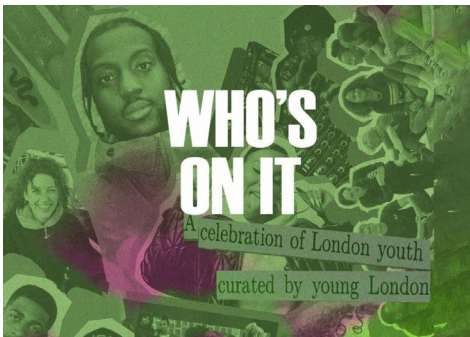


SOUTH LONDON FINE ART GALLERY AND LIBRARY  
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023



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## REFERENCE AND ADMINISTRATIVE INFORMATION

<b>Status</b>	The organisation registered as a charity on 9 May 1966.
<b>Governing document</b>	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.
<b>Charity number</b>	312160
<b>Registered office and operational address</b>	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:

Chris Bedson  
Anastasia Bukhman (appointed 13 March 2023)  
Joy Gregory  
Stephen Kirk (Treasurer)  
Richard Leeming (appointed 13 June 2023)  
Novuyo Moyo  
Cllr Graham Neale (resigned 14 June 2022)  
Cllr Jason Ochere (resigned 13 June 2023)  
Sandhini Poddar  
Reginald Popoola (appointed 13 June 2023)  
Adam Prideaux  
Serge Ramin (Chair)  
Cllr Sandra Rhule (appointed 14 June 2022, resigned 13 June 2023)  
Miranda Sawyer  
Myriam Semere  
Cllr Cleo Soanes  
Abbas Zahedi

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  
Isabelle Hancock, Deputy Director  
Sue Evans, Director of Development & Enterprise (from Sept 2022)  
Sarah Allen, Head of Programme  
Anna Jones, Head of Communications (maternity leave until Aug 2022)  
Sophie Ryan, Head of Communications (maternity cover until Aug 2022)  
Carey Robinson, Head of Education (until Sept 2022)  
Paul Crook, Head of Education (from Sept 2022)

<b>Bankers</b>	HSBC Bank Plc 47 Rye Lane Peckham, London, SE15 5ET
<b>Solicitors</b>	Bates Wells  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 2023.

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

### MISSION & VISION

The SLG's mission is to enable the presentation, production, and discussion of contemporary art and ideas, in free, award-winning buildings that are welcoming to all. We support artists and their work; promote community cohesion through creative projects; facilitate inspiring encounters with art; and constantly strive to broaden the reach and impact of our work.

Our vision is to be an exemplary arts organisation that is locally and internationally recognised for championing the positive role of art and artists in society. We are committed to becoming a truly culturally diverse organisation across every aspect of our work, including our programmes, board, audiences and staff.

### PURPOSE & AIMS

**“The source of art is in the life of a people”**

Inscription by Walter Crane, inlaid on the original gallery floor, 1891

With a vision to ‘bring art to the people of South London’, the South London Gallery (SLG) was established in 1891 by philanthropist William Rossiter and today it is one of the capital’s leading contemporary visual art institutions. The SLG has an established reputation for its ground-breaking programme of contemporary art exhibitions, events and education projects for children, young people and adults. Today the gallery comprises its original site at 65 Peckham Road; the Fire Station, which opened to the public in September 2018; Art Block, a space for local children and families on Sceaux Gardens estate; and an artist-designed garden.

The year-round exhibitions programme showcases the best in international contemporary art, complemented by an events programme for people of all ages and interests. The Gallery’s emphasis is on presenting new work by British and international artists, often by those who have rarely or never had a solo show in a London institution. Group shows bring together works by established and lesser-

known British and international artists, whilst an ongoing residency programme provides opportunities for artists to develop new work and exhibit at the SLG.

Each year, solo and group exhibitions profile established international figures, recently including artists 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, Simeon Barclay, Sophie Cundale, Rene Matic and Magali Reus. Group shows bring works by a range of British and international artists to London audiences, for example *Lagos Peckham Repeat*, *Pilgrimage to the Lakes*; *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 ongoing 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 in recent years featured presentations by Valerie Asiimwe Amani, 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.

Providing opportunities for learning and participation is at the heart of the SLG's purpose and the gallery 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*, 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.

In 2010 the SLG expanded its building and in 2016 opened a permanent artist designed garden, creating a series of inspiring indoor and outdoor areas, alongside a back gate leading to the Sceaux Gardens housing estate, which the SLG has worked in partnership with for more than 12 years. In September 2018 the SLG opened an annexe in the former Peckham Road Fire Station, significantly increasing the reach and impact of its work locally, nationally and internationally, as recognised by the SLG being a joint winner of the Art Fund's Museum of the Year 2020.

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 thriving 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.

The organisation is a registered charity and receives public funding from Arts Council England and Southwark Council. The gallery needs to raise up to 70% 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. Admission to the SLG is free for everyone.

## 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 success to date are:

- 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 and audiences;
- 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 Board of Trustees regularly review these principles and aims and use them as a checklist against which to monitor progress and control the quality and integrity of the SLG's activities.

In the prior reporting period, in January 2022 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 Board of Trustees, 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 2022-23

The South London Gallery's main activities and beneficiaries are described below. All charitable activities are undertaken to further the organisation's charitable purpose, for public benefit. The trustees refer to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities, carefully considering how 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, offsite projects, an artist's studio and a 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 can enjoy an inspiring setting which combines historic buildings, award-winning contemporary architecture, artist-designed gardens, a popular café and a highly regarded independent bookshop. The SLG's education programmes also continue to be held in high regard, demonstrated by feedback from participants and the range of partners and funders secured.

Throughout 2022/23 we are proud to have delivered an exceptional programme of commissions, exhibitions and live art across the main gallery and Fire Station galleries, as well as a wide range of online content for audiences to access digitally. The artistic programme continued to attract support from international arts bodies and funders as well as a small but committed number of charitable foundations and individual donors.

During the year, exhibitions and projects featured in a range of publications with press highlights including: The Guardian Weekend, Frieze.com, Dazed online and Wallpaper\* covering our *Rene Matic, Upon this Rock* exhibition; Art Monthly, Time Out and Wallpaper\* coverage for *Simeon Barclay, In the Name of the Father* and coverage in Time Out, the Guardian, Aesthetica magazine, Artlyst and Burlington Contemporary for Bloomberg New Contemporaries 2022.

One-off and long-term relationships with trusts and foundations provided support across the gallery's education programmes, as did the circle of donors making up the SLG Council. Freelands Foundation, BBC Children in Need, Southwark Council, A New Direction and Hauser & Wirth all continued as supporters of the education programme and enabled the SLG to deliver projects for children and families and local schools.

Our objective over the next five years is to increase the gallery's local, national and international impact 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 Sceaux 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 the previous year enabled a raft of new marketing and audience development initiatives to be developed in 2022/23, playing an important role in rebuilding visitor numbers post-pandemic and increasing our reach and impact locally, nationally and internationally, as we strive to become ever-more inclusive and diverse in everything we do.

## ARTISTIC PROGRAMME

In 2022-23 the SLG profiled the work of 122 British and international artists through:

- solo and group exhibitions in the main gallery and at the Fire Station;
- performances, talks, events 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;

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

Five exhibitions took place across the Fire Station and Main Building in the Spring of 2022/23: Alice Theobald presented a new commission in the main space; an exhibition by Celine Condorelli was presented across Galleries 2 and 3 of the Fire Station; 'Shut the Club Down' continued in the Archive; the eleventh Postgraduate Residency exhibition, by artist Shamica Ruddock, was presented in Gallery 1; and the SLG collaborated with local arts organisation Peckham 24 to exhibit the first solo show by artist Aishwarya Arumbakkam in Gallery 5.

In June, the SLG partnered with the Roberts Institute of Art to host a performance residency with artist Valerie Asiimwe Amani, culminating in an installation and performance in the main gallery. During the Summer, the SLG presented 'The Show is Over' across the main gallery and Fire Station galleries. This group exhibition was curated by Gabi Ngcobo in dialogue with Oscar Murillo and featured the work of 16 British and international artists. As part of the exhibition, Gallery 5 hosted artist collective Las Nietas de Nono for a one-month residency.

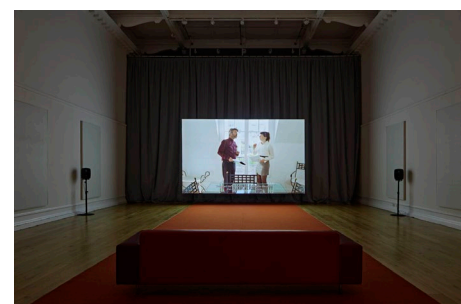
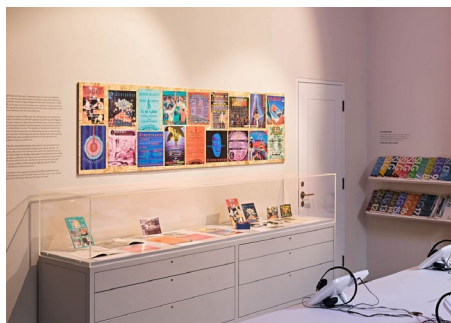
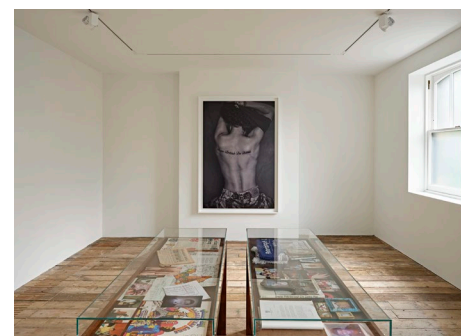
In the Autumn, two exhibitions by UK-based artists were presented: A solo show of new work by Simeon Barclay in the Main Gallery; and an exhibition of new work by Rene Matic in the Fire Station. A work from Rene Matic's exhibition was subsequently acquired for the SLG Collection. In the same period the SLG hosted Film Africa, London's biggest film festival of African and African diaspora cinema.

From December 2022 to March 2023 the SLG hosted Bloomberg New Contemporaries 2022. Returning to the SLG for the fifth time, the exhibition showcased the work of 47 of the UK's most exciting artists graduating from art schools and alternative peer-to-peer learning programmes. The artists were selected through an open submission by a panel of internationally renowned artists, James Richards, Veronica Ryan and Zadie Xa. The exhibition spanned the Main Gallery and Fire Station and featured drawing, painting, sculpture, prints, installation, photography, video and sound.

Throughout 2022/23 we continued our six-month postgraduate residency programme, with Shamica Ruddock and John Costi concluding and beginning residencies respectively. They both benefited from free studio space in the Fire Station, which complemented the SLG's flat for artists in residence.

Our varied programme of film and talks continued and provided opportunities for collaborations and discussion. The long-established film programme *South by South* continued, as well as the peer-led artists' crit programme The Conch and a series of artist-led courses, SLG Skills.

Artists' collective Something & Son undertook the annual Art Block commission as part of Open Plan, our long-term project on neighbouring housing estates. The artists worked with the SLG's Art & Play team and the children who attend Art Block to develop their commission 'Exercises in Freedom' centred around the principle of radical trust and freedom.



### Exhibitions in 2022-2023

Alice Theobald: *Il 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

Shamica Ruddock, *Diciphering a Broken Syntax*, 8 April – 12 June 2022

Peckham 24: Aishwarya Arumbakkam, *Ka Dingiei*, 12 May – 5 June 2022

*The Show is Over*, 24 June – 4 September 2022

School SOS\_22 Exhibition, 27 August – 18 September 2022

Simeon Barclay, *In the Name of the Father*, 23 September – 27 November 2022

Rene Matic, *Upon this Rock*, 23 September – 27 November 2022

Bloomberg New Contemporaries 2022, 9 December 2022 – 12 March 2023

### **Archive Displays in 2022-23**

*Shut the Club Down*, until 5 June 2022

### **Residencies in 2022-2023**

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

Valerie Asiimwe Amani, performance residency in partnership with the Roberts Institute of Art, May – June 2022

John Costi, Postgraduate Artist in Residence, October 2022 – June 2023

### **Highlights from the performance, film and events programme in 2022-2023**

Talk: Alice Theobald with Thibault De Montalembert, 16 April 2022

SLG Skills: Botanical Printmaking, 16, 23, 30 April & 7 May 2022

Event: *Lithic Encounters* by Paula Bascón, 21 May 2022

Talk: Shamica Ruddock and Ashley Holmes in conversation, 27 May 2022

Talk: Celine Condorelli, Ben Rivers and Jay Bernard in conversation, 1 June 2022

Performance: Valerie Asiimwe Amani, *To Dismantle a House*, 11 June 2022

SLG Skills: Architecture and South London, 13 – 21 July 2022

Event: Page Masters Zine Fair, 3 September 2022

Film: South by South, *Love Jones*, 5 October 2022

Talk: Simeon Barclay in conversation with Morgan Quaintance, 26 October 2022

Film: Film Africa, 29 October – 5 November 2022

Book Launch: Sara Raza, *Punk Orientalism: The Art of Rebellion*, 23 November 2022

Talk: Rene Matic and Emma Dabiri in conversation, 25 November 2022

Event: Peer Mentoring with Artquest and Chloe Cooper, 25 January 2023

Event: Skills Sharing, Self-Publishing, 8 February 2023

Event: Audio Described Tour, Bloomberg New Contemporaries 2022, 8 March 2023

Art Assassins: *Who's On It, A Celebration of Youth Culture*, 18 March 2023

Event: The Conch, 29 March 2023

## Artist Editions, Publications and Merchandise

In 2022/23 the SLG produced a limited-edition teacup and saucer by artist Rene Matić to accompany their exhibition *Upon this Rock*. This new work complements existing editions by artists including Jessie Brennan, Susan Cianciolo, Isabelle Cornaro, Sophie Cundale, Federico Herrero, Katarina Gross, Ann Veronica Janssens, Erik van Lieshout, Basim Magdy, Alicia Reyes McNamara, Rory Pilgrim, Magali Reus, Raqib Shaw, Lawrence Weiner and Abbas Zahedi. All proceeds from the sale of SLG editions and publications support the SLG's charitable activities.

Created to mark the 130th anniversary of the South London Gallery, in 2021 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. In 2022/23 the portfolio was displayed in an exhibition at the Fire Station and sales of the portfolio continued to support the organisation.

## 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. In 2022/23, the SLG's team of education staff continued to work with artists and artist-educators engaging with children, young people and adults on innovative, ambitious 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 digital resources and exhibition tours;
- Making Sense, a digital and in-person collaborative programme for teachers and schools which aims to collectively seek systemic solutions for endemic challenges within art and design education;
- A programme titled Elephant Park, which through partnership with artist Ryan Gander and property developer Lendlease worked with children across three primary schools based in Elephant and Castle;
- Art Assassins, a peer-led young people's group (age 14 – 21) who meet weekly to devise and produce public events and exhibitions. In 2022/23 the Art Assassins took over the SLG's main space to produce *Who's On it* – a multidisciplinary free event that recreated Peckham Market in the gallery, complemented by music, fashion, spoken word and visual art;
- 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, free drop-in workshops for families, inspired by current SLG exhibitions;
- 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 and Saturday programme at our dedicated education space, Art Block, on Sceaux Gardens estate;
- community celebrations;
- creative projects for children and families;
- and public art commissions on two local housing estates.

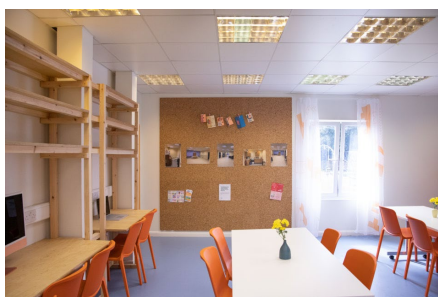
A new initiative of providing free opportunities for community groups to hire our spaces was initiated in 2022/23, using our space and resources to support community-led organisations within South London.

The collective impact of our education and outreach programmes for children and young people continues to be significant. This is evidenced by the repeat funding from individuals, trusts, foundations and Southwark Council secured for long running projects, repeat visits of participants; feedback from families, young people, teachers and artists; the quality of the commissions and events produced; and the professional development of our team of dedicated Art & Play Assistants and Leaders.

*"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

*"While not all children report feeling safe on the estate, they overwhelmingly feel safe at Art Block. This is partly a result of it feeling familiar and welcoming to them, due to the relationships they develop with the staff and other children."*  
Open Plan Evaluation by Shared Intelligence

*"We always love visiting and working with the South London Gallery, and we look forward to the next time."*  
Teacher Feedback



## BENEFICIARIES & AUDIENCE DEVELOPMENT

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

We collect data via visitor and participant feedback and surveys, review sessions, digital insights, social media comments and staff feedback and project debriefs. Findings are used to develop our audience development strategies.

During 2022/23 we supported 122 artists and received a total of 156,599 visits to our exhibitions, events, education programmes, shop and café, exceeding our target to achieve 120,000 visits.

A key aim for the SLG is to work towards rebuilding visits to pre-pandemic levels, towards which great progress was made in 2022/23. Directly prior to the pandemic, in 2019/20, the SLG welcomed 160,000 visits, which followed an initial peak of 190,000 in the opening year of the Fire Station.

The SLG conducts audience surveys at the gallery, in 2022/23 via Arts Council England's partner organisations the Audience Agency and Culture Counts Insights and Impact.

The results show that in 2022/23, 63% of surveyed visitors were aged 16 – 34, which is representative of our young local community (53% of Southwark's population is aged under 35 years

old). The percentage of surveyed visitors who identified as deaf, disabled or having a long-term health condition was 10%. 55% of surveyed visitors identified as being from a White background. 61% identified as female, 31% as male and 8% said they would describe their gender in another way.

Of the respondents who chose to disclose their postcode, 30% lived in Southeast London postcode areas. All the schools we work with are based in South London, overwhelmingly in Southwark, and the vast majority of participants in our education programme live within the immediate vicinity of the SLG in Camberwell and Peckham.

According to the 2021 Census, half of all households in Southwark are disadvantaged in one or more of the following dimensions: employment, education, health and disability, and housing. Lone parent families with at least one dependent child make up 9% of all households in Southwark and this figure is higher in Peckham and the surrounding areas. Southwark is the 7<sup>th</sup> most densely populated borough in London. The average age of residents is 32 years old, which is two years younger than the average for all London boroughs and seven years younger than the average in England.

40% of Southwark residents were born outside of the UK, with the top country of birth outside of the UK and Ireland being Nigeria. 42% of Southwark residents reported their ethnicity as Black, Asian or ethnically diverse (25% Black, Black British, Caribbean or African; 10% Asian or British Asian; and 7% mixed or multiple ethnic group).

It is in this context that the SLG runs extensive and varied programmes which provide opportunities to engage with contemporary art and artists, with and for our local communities.

## **EQUALITY, DIVERSITY AND INCLUSION**

The Board of Trustees and everyone working at the South London Gallery are committed to being a truly inclusive organisation, enhanced through the diversity of our programmes, audiences and staff. Our Equality, Diversity and Inclusion Action Plan, which was reviewed and updated in 2022/23, embraces ethnicity, gender identity, sexuality, socio-economic background, disability, neurodiversity, health, age and religion to ensure that intersectionality is clearly addressed.

In 2020 we published a statement and our Equality, Diversity & Inclusion Action Plan, pledging to become a distinctly more diverse organisation by 2023. Progress has been made in some areas and we continue to implement and review our action plan on an ongoing basis.

We continually review strategies that aren't working and consult regularly with all SLG staff, the board and external advisors who contributed to the original plan, which is richer for their input and feedback. We devote the necessary leadership and staff time to set goals and achieve them, proactively seeking funding to make this possible, and ensuring it remains at the top of our agenda, organisation wide.

The following revised strategy was published on the SLG website in March 2023. It includes details of progress and learning to date, and how we will continue to embed this work into the DNA of the SLG.

### **Board of Trustees, Staff and Workplace Culture**

Developments over the past two years include:

- All staff and board members undertake Equality, Diversity and Inclusion training.
- An Equalities Advisory Sub-Committee of our Board meets quarterly to hold the organisation to account.

- A review of our recruitment practice. We ensure that there is a person of colour on every interview panel, have reviewed application packs to make our commitment to equality, diversity and inclusion more explicit, as well as our pay scales to improve opportunities for pay progression.
- We are a Disability Confident employer, which has resulted in an increase in disabled people being shortlisted for roles.
- We expanded our board of trustees. Currently 57% of our board are Black, Asian or ethnically diverse.
- From data collected in April 2023, we know that 33% of SLG staff identify as Black, Asian or ethnically diverse, 29.5% as disabled, 27% as neurodivergent and 46% as LGBTQ+.

Commitments for next 12 months:

- At Manager level and above our team is less diverse: 16% Black, Asian and ethnically diverse, 17% disabled, 5% neurodivergent and 39% LGBTQ+. In collaboration with our Equalities Advisory Committee, we are developing strategies to address this disparity and we commit to reporting on this data to all staff on an annual basis.
- To track via our surveys how many of our staff and board members identify as being from a lower socio-economic background and for this to inform our recruitment strategies.
- To ensure our Board is more representative of disabled people and people who identify as LGBTQ+.
- To establish a relationship with Southwark's Youth Parliament, to act as young advisors to our Board.
- To devise a shared understanding of what it means to be an anti-racist organisation with our Equalities Advisory Committee, Senior Management Team and an external practitioner.
- To analyse disparities between the diversity of candidates at application stage and those that are shortlisted, identifying changes we need to make to our recruitment practice as a result.
- To conduct and learn from a staff Wellbeing Survey.

## **Artistic and Education Programme**

Developments over the past two years include:

- We increased the representation of artists from Black, Asian or ethnically diverse backgrounds in our exhibitions and events programmes, achieving our aim to be representative of the population of Southwark which is 49% Black, Asian or ethnically diverse.
- Our exhibitions adhere to accessibility standards including hanging work and interactives at accessible height, ensuring step-free access, wheelchair accessible routes, providing transcripts and subtitles and accessible seating.
- We piloted free hires of SLG meeting spaces for artists and local residents and organisations at Art Block and in the Fire Station.
- We nurtured new relationships with local organisations, including Flat 70, Off the Curriculum, Opportunity Hub, Rainbow Collective and Heart n Soul.
- We delivered our Making Sense programme, focusing on targeted support for teachers to explore anti-racism and decolonisation via CPD workshops and creating a free online platform for others to share work.
- We have included a young person in the interview panel for all new staff and artists recruited to the Youth Programme – platforming youth voice.

Commitments for the next 12 months:

- To embed our open hire policy for Art Block and the Fire Station and implement marketing strategies to ensure local awareness.
- To develop a community hub model at Art Block. Piloting a shared collaborative approach across education strands supporting children's mental health.
- To begin dedicated research into artists who identify as neurodiverse / disabled to inform future programming.
- To embed an accessible events policy and train our events staff and gallery assistants on setting up accessible events.
- To deliver a major new partnership with New Curators, collaborating on a paid curatorial training programme for people who identify as being from a lower socio-economic background.

## **Audiences and Visitor Welcome**

Developments over the past two years include:

- A review of SLG audience-facing marketing materials (digital and print) and guidelines put in place to ensure they are accessible to the widest possible audience. This includes (but is not limited to) ensuring that all events and exhibition materials include access information, creating accessible materials such as easy read guides and reviewing all our public facing written materials.
- Commissioning an audit on website accessibility and implementing recommended changes, such as developing content for screen readers, reviewing image sizes and Alt Text and updating map functionality.
- Updating the access information available on the website including the addition of a sensory map and Easy Read guides for exhibitions.
- Conducting an audit of all buildings for accessibility with immediate, mid-term and long-term action items.
- Making changes to public areas to improve physical access and maintain an inclusive and welcoming space for all visitors.
- Staff across departments, including Front of House, have taken part in autism awareness, trans awareness, disability confidence, Tourette's Syndrome awareness, diversity & inclusion, and mental health first aider training.
- Developing relationships with new partners and suppliers to help us engage with new and more diverse audiences.

Commitments for the next 12 months:

- To ensure that the SLG website is accessible to as many audiences as possible, adding more information for visitors, including visual stories and videos of the SLG's spaces.
- To organise tours and events specifically for audiences with access needs, such as audio described tours.
- To continue to work with new partners and suppliers to reach and engage new and more diverse audiences.
- To research funding opportunities to further improve the physical accessibility of all buildings.

## Fundraising

Developments over the past two years include:

- We have reviewed the images and language used in our funding applications and presentations to ensure they are representative of the work we do and our audiences.
- Access information is included in all Development events invitations.
- We have reviewed and updated our Fundraising Policy and implemented a new Due Diligence Checklist which includes any negative association with equality, diversity and inclusion being identified as a red flag.
- Wherever possible we have prioritised applying for multi-year grants when seeking funding for staff posts, to create better job security.

Commitments for the next 12 months:

- To continue to create a more diverse philanthropic community at the SLG, that is more representative of the public we serve; to share and learn with peer organisations; and support artists and local community groups in their fund-raising efforts.
- To review and refresh the SLG's Patron and Membership 'Join Us' brochure to ensure it is welcoming and inclusive.
- To review our wider fundraising materials, and set guidelines for the images we select, how we write and speak about participants in our programmes and the local area, to ensure these are more representative of the people and communities we work with, and that the language we use is appropriate.
- To prioritise securing funding to support the equality, diversity and inclusion aims of our programmes.
- To expand the SLG's development committee, to represent different voices from across the philanthropic community, which in turn will open up new fundraising opportunities.

## The SLG Shop

Developments over the past two years include:

- We have reviewed our suppliers and work with increased numbers of local designers and makers, including those who are Black, Asian or ethnically diverse, disabled, neurodiverse, come from a range of socio-economic backgrounds or identify as LGBTQ+.
- We have a long-standing commitment to representing a diverse range of artists, photographers and authors in our product range. We host a forward-thinking selections of books on gender, race, disability and socioeconomics in London.
- We have hosted a range of events where those organising and reading were ethnically diverse, neurodiverse, disabled or identified as LGBTQ+.
- We hosted the PageMasters Zine Fair that promoted the work of many trans, disabled and Black, Asian and ethnically diverse and neurodiverse authors, as well as those from different socio-economic backgrounds who self-publish their titles independently, using sustainable printing practices.

Commitments for the next 12 months:

- To expand our online shop to include a selection of books from Black, Asian and ethnically diverse and neurodiverse authors, as well as those from different socio-economic backgrounds.
- To evaluate our recent shift towards working with small suppliers, with a goal of at least 50% of the makers we work with coming from Black, Asian and ethnically diverse backgrounds.
- Deliver a series of readings in the bookshop that gives a platform to ethnically diverse writers, those from disadvantaged socio-economic backgrounds, or writers that are neurodiverse.
- To evaluate the shop's contribution to a circular economy; how it makes sustainable contributions to challenging discrimination in the world of publishing, design and craft.

## DIGITAL REACH, INFRASTRUCTURE & PROGRAMMING

In 2022/23 the SLG made a significant investment in developing its digital reach and output through the creation of a new full time Digital Communications Manager post. This role, funded for two years by grants from the Fidelity Foundation and Bloomberg Philanthropies, enabled a step-change in content creation and promotion across all the SLG's online channels.

As a result, 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 171,236 users. Social media was a key component of our digital strategy, with the aim to reach wider audiences and to share creative content. During this time, we focused on tailoring content to each digital platform and we launched the SLG on TikTok. In this period Facebook had a reach of 268,745 (an increase of 461% compared to the previous year). Instagram reached 212,482 people (an increase of 154% compared to the previous year). Instagram followers increased significantly from 74.8k to 81.4k, Facebook grew to 39k likes and 44k followers. Twitter decreased in followers and the team are monitoring how the platform and audiences are changing.

Our strategy also placed ever greater emphasis on creating new and exciting video content, to share the gallery's programme with digital audiences. Our YouTube video of a conversation between artist Rene Matić and Emma Dabiri, released in December 2022, has had over 1,300 views. An exhibition video with artist Simeon Barclay, released in October 2022, has had over 934 views.

In 2022/23 we began work on a major project funded via Bloomberg Philanthropies' Digital Accelerator Programme for Arts and Culture. This major investment over a two-year period includes the development of a new online shop, the purchase of essential audio/visual equipment for our talks, events and performance programmes, and a new CRM system which will have a significant impact on our fundraising as well as integrating systems to streamline internal processes. All of these elements combine to future proof our digital infrastructure, enable a better experience for our visitors, donors and customers, and generate additional earned and raised income to support our programmes.

## ENVIRONMENTAL PERFORMANCE

In 2022/23 through our application to Arts Council England's National Portfolio, the SLG committed to ensure that by 2026, environmental responsibility is built into every area of our work and decision making, that we reduce our impact and use our platform to advocate to our audiences and peers.

Success will mean that our impact, progress and commitments are visible to both our audiences and stakeholders.

The SLG has an environmental sustainability policy and action plan and an established staff-led sustainability committee which meets bi-monthly to raise environmental awareness and promote best practice internally. In 2023 the SLG joined as a member of Gallery Climate Coalition. We also published our environmental statement on our website, ensuring that our commitments and recent achievements are visible to our staff, audiences and stakeholders.

The gallery achieved an important fundraising milestone in the financial year 2021/22, raising the funds required to replace a gas fired air blower heating system from the 1980s with air source heating, which was completed in the summer of 2023.

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;
- 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 SLG has also continued to invest in the maintenance of its green spaces, 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.

Following our partnership with Southwark Council and local residents to develop a new playground and planted area on Elmington housing estate in 2021, the SLG continues to deliver projects with artists which address environment and sustainability concerns. In the summer of 2023 this included a commission on Pelican Estate as part of Open Plan, *The Diaspora Garden: Watering Connections*, by artist Seyi Adekun.

Our priorities for 2023/24 are to review our environmental impact statistics from the past five years, develop a baseline from which to set future targets and enable robust reporting; increase visibility of our environmental commitments, targets and progress, both online and within our venues. A board level Sustainability Committee will be formed following the recruitment of a trustee with specific expertise in the environment and sustainability.

## FINANCIAL REVIEW

### Results for the year

Following the challenging years of the global pandemic, the SLG experienced significant financial pressures in 2022/23. This was not least due to high inflation creating significant increases in core running costs and expenditure on staff costs. The fundraising landscape has been extremely challenging since Covid-related government support has ceased and support from Arts Council England has not kept up with inflation for more than a decade, resulting in a significant real-terms cut

in core funding. Local authority funding has also steadily decreased over the past five years. The turnover of staff in the fundraising team was also a particular challenge in the year.

Income for the year decreased from the previous year (22/23: £1,893,693; 21/22: £2,610,040; 20/21: £2,388,308). This change results in part from significant one-off restricted grants recognised in 2021/22 which support operating costs within 22/23. Expenditure in the year increased slightly from the previous year (22/23: £2,428,206; 21/22: £2,422,870; 20/21: £2,246,480).

The balance sheet at 31 March 2023 shows a net current asset position of £343,654 (21/22: £745,607; 20/21: £436,288). With depreciation, fixed assets on the balance sheet decreased to £5,324,246 (21/22: £5,445,786; 20/21: £5,587,608; 19/20) 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 Executive team's capacity for financial management, the support of the Treasurer and an active Personnel and Finance Committee. In the second half of 2022/23 the SLG invested in the new role of Director of Development an Enterprise to lead on fundraising and commercial income generation across the organisation.

The Trustee has reviewed the budget and cash flow forecast up to March 2025, which is prepared on a prudent basis. At the date of this report, c. £660k remains to be raised to meet the target income by 31 March 2024. A gala event taking place in February 2024 as well as a number of high-profile fundraising events this winter will contribute to this target. Unconfirmed income for the 24/25 financial year currently stands at £1.1m. To date, £1m (approximately 48%) of the target income for the year is secured. The Trustee has reviewed management's strategies for securing these funds and a range of scenarios for cost-cutting and alternative fundraising initiatives should targets fall short by up to 20%. The Trustee's decision to sell the Artists' Flat to release unrestricted cash forms a core part of the overall strategy. It is anticipated that the flat will be sold by June 2024.

While acknowledging there are risks and a degree of uncertainty, as there is every year, the Trustee recognizes management's continual efforts on income generation and cost monitoring as well as the track record of the SLG over many years. The SLG has significant assets which brings further comfort. It is the Trustee's opinion that it is appropriate for the accounts to be prepared on the Going Concern basis.

## PRINCIPAL RISKS AND UNCERTAINTIES

The Trustee has undertaken a risk review and particularly looked at the level of confirmed income and cash with which the charity operates. The Trustee has drawn up a risk register that lists all the identified risks and the results of their analysis and evaluation.

The Covid-19 pandemic has presented multiple risks and challenges to the SLG in the past three years. As a result of the pandemic, the fundraising landscape has changed, creating the need to place greater emphasis on increasing commercial income, encouraging donations from our visitors, and on forming partnerships locally and nationally. The pandemic also placed many and varied pressures on staff in both their personal and professional lives. In response, the SLG increased mental health and well-being support for staff including 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. These initiatives have continued throughout 2022/23 and are now core elements for the SLG's staff policies and procedures.

Key financial risks to the SLG include:

- That despite securing funding for a further three years from ACE as a National Portfolio Organisation, standstill funding represents a significant real-terms cut;
- Inflation remaining high results in rising core running costs and salaries;
- Cashflow has been impacted by the year end deficit at March 2023;
- Rising interest rates have significantly increased the cost of borrowing.

The Trustee has worked closely with management to review the risks, develop strategies to mitigate them and ensure that contingency plans are in place and realisable. The Director and Deputy Director regularly review expenditure in the light of actual and projected income, in discussion with the Personnel and Finance Committee.

To alleviate pressure on cashflow, in 2023 the Trustee took the decision to take out a loan from the Charity Bank of £150k secured against the Artists' Flat. The loan was drawn down in June 2023. This strategy is in tandem with the plan to sell the flat within the next 1-2 years. Currently the property is valued at between £500k and £550k.

In tandem, a series of strategies are being implemented to meet budget targets for the next two years and rebuild the unrestricted General Funds of the charity. The aim is to ensure the organisation's sustainability in the immediate term, while we work towards plans for the longer term which will include seeking an increase in core funding at the next round of Arts Council England grant applications.

The current forecast for 2023/24 is income of £2.7m and expenditure of £2.8m. £389k of restricted funds are brought from the previous year, including for major projects such as the replacement of the gallery's 40-year-old boiler with an air-source heat pump (which will create savings on energy costs over the long-term as well as reducing our impact on the environment), and investment in digital infrastructure funded by the Bloomberg Digital Accelerator Programme, including a new online shop which will generate additional commercial income.

The budget is based on a mixed fundraising model with funds raised from Arts Council England (confirmed), trusts, foundations, local government, individual giving, sponsorship and commercial income. An auction of donated artworks in partnership with Christie's and a series of fundraising events and a gala dinner in the winter of 2023 are a key part of the strategy, as is the sale of the Artists' flat. The range of sources of income is varied, increasing the likelihood that lower than expected income from one strand may be compensated by over achievement in other areas.

For 2024/25 a range of budget scenarios have been modelled and plans for new income generation strands are in development. A second fundraising Gala will be held in 2024/25.

Plans for income generation include:

- Increasing donations from exhibition visitors through promotion of 'donate what you can' and encouraging more of our visitors to join as SLG members.
- A new 'International Circle' donor scheme;

- Partnerships which provide significant funding for education projects or exhibitions, for example building on our current partnership with New Curators;
- Reducing the amount of core funding used to support the Exhibitions programme, through securing corporate sponsorships;
- Generating income through touring partnerships with national and international institutions;
- Increasing capacity for commercial income generation building on a recent grant to support marketing and audience development initiatives, and Bloomberg Philanthropies’ support of a revamp of our digital infrastructure;
- Securing naming rights on curatorial and / or education posts;
- Securing naming rights on the Fire Station and/or main building;

Should the gallery not be successful in raising all the required funds, programme and operational budgets will be reduced and the Trustee has reviewed details of scenario planning to this end. A full risk register is reviewed at each board meeting. The principal risks identified are summarised below.

<b>Risk</b>	<b>Action to Mitigate</b>
The 22-23 year-end deficit means reserves are depleted	<ul style="list-style-type: none"> <li>- Fundraising auction at Christies in October 2023 raised £83k from the sale of artworks and a further £90k as cash donations from artists</li> <li>- Sales of two additional donated works are expected to raise a further £90k</li> <li>- A Cashflow forecast to March 2025 has been prepared and is closely monitored</li> <li>- Budget scenarios for 24/25 have been reviewed, with options for reduced expenditure if necessary</li> <li>- The P&amp;F committee has agreed to sell the Artists Flat, valued at £500k to £550k.</li> </ul>
Failure to secure funds for programme	<ul style="list-style-type: none"> <li>- Regular review of fundraising strategy</li> <li>- Capacity increased within the fundraising team</li> <li>- Plans in place to adjust activity in line with available funds</li> <li>- Undertake scenario and contingency planning.</li> </ul>
Cashflow is negatively affected by the year-end deficit	<ul style="list-style-type: none"> <li>- The F&amp;P Committee has reviewed the cashflow position to March 2025.</li> <li>- Loan of £150k secured to support cashflow until the sale of the Artists’ Flat</li> <li>- The Deputy Director reviews the cashflow forecast monthly.</li> <li>- Finance and development teams follow up on unpaid invoices in a timely manner.</li> <li>- Careful management of grant reporting ensures grant payments are released on time.</li> </ul>

	<ul style="list-style-type: none"> <li>- Application submitted for an overdraft facility</li> </ul>
<p>High fundraising targets for core income are necessary due to flatlining of our ACE NPO grant, the end of NLHF funding of the Fire Station and overall cost inflation.</p> <p>Potential that sufficient core income is not secured within necessary time frame.</p>	<ul style="list-style-type: none"> <li>- Auction at Christies in October 2023;</li> <li>- Fundraising gala taking place in February 2024</li> <li>- Development Committee is engaged and supporting with the auction and gala</li> <li>- Major multi-year grants are being submitted for education programme which build in salary costs.</li> <li>- New corporate partnerships being explored.</li> <li>- Sale of the Artists Flat will reflate unrestricted cash reserves.</li> <li>- Budget scenarios for 2024/25 have been reviewed by the Personnel and Finance Committee, with plans to reduce expenditure as needed</li> </ul>
<p>Reputational risks associated with pursuing or accepting donations</p>	<ul style="list-style-type: none"> <li>- Donations policy in place</li> <li>- Individual cases discussed by the P&amp;F Committee and consensus reached</li> <li>- Pro-bono legal support on performing due diligence checks is being sought</li> <li>- Anti-money laundering checks conducted on all relevant donations and high value edition sales</li> </ul>
<p>Harm to children or vulnerable adults</p>	<ul style="list-style-type: none"> <li>- Safeguarding training for staff and board;</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>- Allocation of safeguarding responsibility to a specified member of the board.</li> </ul>
<p>Inadequate staff capacity to manage programme and operations</p>	<ul style="list-style-type: none"> <li>- Regular review of operational plan for the year ahead;</li> <li>- Recruit positions as required and funded</li> </ul>
<p>Personal injury</p>	<ul style="list-style-type: none"> <li>- Up to date H&amp;S policies and procedures communicated to all staff;</li> <li>- All staff 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> </ul>

	<ul style="list-style-type: none"> <li>- Personal alarm in two gallery receptions</li> <li>- Restrictions on lone working.</li> </ul>
Loss of data	<ul style="list-style-type: none"> <li>- Use of cloud based and backed up shared file storage;</li> <li>- Up to date virus protection.</li> </ul>

## RESERVES POLICY

The reserves policy is reviewed by the Trustee on an annual basis. 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.

Total unrestricted funds of the charity at 31 March 2023 are £91,516, including the capital in the artists’ flat. Significant challenges during the year meant that at 31 March 2023, General Funds, representing freely available cash reserves not designated for any purpose, was in deficit by £74,326.

The Trustee has taken the decision to sell the artists’ flat, currently valued at between £500k and £550k, to rebuild its unrestricted General Funds within the current financial year. A second loan of £150k from the Charity Bank secured against the flat was drawn down in June 2023, to support cashflow until the sale of the property. After repayment of both loans, the impact of the sale of the flat if it achieves a sale price of £450k will be £100k net, however we expect the sale price to be higher given the most recent valuation.

Longer term, the Trustee recognises the need to build its unrestricted, undesignated, cash reserves to a level sufficient to cover three months’ unrestricted core running costs. Based on current budget projections this equates to approximately £300,000, to be built over a number of years.

## EVALUATION

We measure artistic success by responses from press, our peers, partners, funders and audiences. We measure the reach of our work by recording the number of people who attend our exhibitions, take part in our education programme, visit our café and shop, and engage with our work online.

The Trustee reviews progress against a set of clearly defined KPIs on a quarterly basis. We collect data and feedback from exhibition visitors via surveys conducted using Arts Council England’s Illuminate platform. We also collect data from participants and audiences for education activities and undertake in-depth evaluation of 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 the 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 at every Board meeting.

Through an on-going cycle of self-assessment, we can 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.

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 2023-24 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 2023-24 the artistic programme will focus on:
  - at least six exhibitions in various combinations across all spaces, some of which will be born of national and/or international partnerships, as well as solo exhibitions, and a major group show, *Lagos, Peckham, Repeat*, in collaboration with an external curator;
  - artist residencies in the Fire Station artists' studio; and on neighbouring estates through our longstanding Residents' Programme 'Open Plan';
  - regular film screenings, talks and performance events in the Clore Studio, other SLG spaces and online, including a programme of events funded by a major grant for audience development, South by South contemporary African film programme, and artists' talks.
- To offer an engaging education programme and maximise the benefits for children, young people, adults and community groups with whom we work;
- To develop new partnerships and collaborations with community organisations, including a major new partnership with New Curators – a charity that provides a paid twelve-month curatorial training programme for 12 aspiring curators from lower socio-economic backgrounds, based at the South London Gallery in academic years 2023-24 and 2024-25.

- To ensure 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;
- To embrace the scope of digital opportunities available, including delivering significant upgrades to the SLG's digital infrastructure through the Bloomberg Digital Accelerator Programme;
- To deliver 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;
- To successfully deliver several major fundraising events, including an auction of donated artworks and a Gala fundraiser at the gallery, to generate much needed unrestricted funds to sustain the organisation;
- and to play 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, 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 lead and 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 three-year funding agreement to March 2026, with funds secured at the same level as the previous funding period. 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, 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 by 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 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 in return from the charity.

Ongoing support is available for directors, including training, as part of the gallery's training and development plan and budget. All Directors receive specific Equality, Diversity and Inclusion training.

## FUNDRAISING PRACTICE

Fundraising is led by the Director working closely with the Deputy Director and Director of Development & Enterprise, the latter being a new role established in 2022/23 to increase the organisation's capacity to fundraise and generate commercial income. The fundraising team also comprises a Development Manager: Trusts & Foundations; Development Manager: Individual Giving & Corporate Partnerships; and a Director's Assistant & Development Coordinator.

Other departmental heads and managers also 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, including a robust Due Diligence procedure.

The SLG is registered with the Information Commissioner's Office (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 organisation has set pay levels in line with sector benchmarks, which assists the Personnel and Finance Committee and the Board of Trustees when making salary decisions.

Rates of pay are reviewed across the organisation annually, for the start of the new financial year. Cost of living rises are assessed in the light of CPI inflation and organisational budgets. SLG salary levels for different job groups are also assessed as above.

All increases are discretionary and subject to the approval of the Board. The South London Gallery's policy is to pay everyone equal pay for equal work in line with The Equality Act 2010. The Gallery is committed to paying all staff above the London Living Wage.

## 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 adequate 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 auditor during the year and has expressed their willingness to continue in that capacity.

The Trustee's annual report has been approved by the Trustee on the 27 November 2023 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 2023 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 2023 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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.

Date: 20 December 2023

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. Celine Condorelli, with Ben Rivers and Jay Bernard: *After Work*. Installation view, Andy Stagg, 2022.
2. Rene Matić, *upon this rock*. Installation view, Andy Stagg, 2022
3. Sunday Spot with Winnie Hall, 2023
4. Flyer for *Who's On It*, Art Assassins, March 2023
5. Simeon Barclay, *In the Name of the Father*. Installation view, Andy Stagg, 2022
6. Bloomberg New Contemporaries 2022, Installation view, Andy Stagg, 2022
7. Alice Theobald, *IL Y AURA (There will be)*, Installation view, Andy Stagg, 2022.
8. Shamica Ruddock: *Deciphering A Broken Syntax*. Installation view, Andy Stagg, 2022.
9. *Flavour Cravers with Marie Mitchell*, 2022
10. *The Show Is Over*, Curated by Gabi Ngcobo in dialogue with Oscar Murillo, June 2022, Installation view, Andy Stagg.
11. Simeon Barclay, *In the Name of the Father*. Installation view, Andy Stagg, 2022
12. Rene Matić, *upon this rock*. Installation view, Andy Stagg, 2022
13. Bloomberg New Contemporaries 2022, Installation view, Andy Stagg, 2022
14. *Shut the Club Down*, SLG Archive exhibition, 2022
15. Bloomberg New Contemporaries 2022, Installation view, Andy Stagg, 2022
16. Celine Condorelli, with Ben Rivers and Jay Bernard: *After Work*. Installation view, Andy Stagg, 2022.
17. *The Show Is Over*, Curated by Gabi Ngcobo in dialogue with Oscar Murillo, June 2022, Installation view, Andy Stagg.
18. Alice Theobald, *IL Y AURA (There will be)*, Installation view, Andy Stagg, 2022.
19. Sunday Spot with Tyrese Holder, 2022
20. School group visiting Bloomberg New Contemporaries at the South London Gallery, 2022
21. Orozco Garden Trail, South London Gallery, 2022.
22. Sunday Spot with Winnie Hall, 2023
23. Flavour Cravers Recipe Book
24. Still from the *Exercises in Freedom*, Something & Son, 2022 video. Filmed by Anita Safowaa.
25. Nooma, *Flying the Pelican*. Photo: Lucien Ebongue, 2022
26. Yara and Davina, *Goals*. Photo: Luciem Ebongue, 2022

South London Fine Art Gallery and Library

Statement of financial activities

For the year ended 31 March 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
<b>Income from:</b>							
Donations and legacies	2	946,533	7,000	<b>953,533</b>	1,203,895	–	1,203,895
Charitable activities	3	162,784	659,943	<b>822,727</b>	147,870	919,578	1,067,448
Other trading activities	4	116,022	–	<b>116,022</b>	338,646	–	338,646
Interest		1,411	–	<b>1,411</b>	51	–	51
<b>Total income</b>		<b>1,226,750</b>	<b>666,943</b>	<b>1,893,693</b>	<b>1,690,462</b>	<b>919,578</b>	<b>2,610,040</b>
<b>Expenditure on:</b>							
Raising funds	5	436,270	–	<b>436,270</b>	546,640	–	546,640
Charitable activities Exhibitions & live art, education &	5	1,076,104	915,832	<b>1,991,936</b>	1,120,863	755,367	1,876,230
<b>Total expenditure</b>		<b>1,512,374</b>	<b>915,832</b>	<b>2,428,206</b>	<b>1,667,503</b>	<b>755,367</b>	<b>2,422,870</b>
<b>Net (expenditure)/income for the year</b>		<b>(285,624)</b>	<b>(248,889)</b>	<b>(534,513)</b>	<b>22,959</b>	<b>164,211</b>	<b>187,170</b>
Transfers between funds	17	–	–	–	(2,173)	2,173	–
<b>Net movement in funds</b>		<b>(285,624)</b>	<b>(248,889)</b>	<b>(534,513)</b>	<b>20,786</b>	<b>166,384</b>	<b>187,170</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		377,140	5,628,020	<b>6,005,160</b>	356,354	5,461,636	5,817,990
<b>Total funds carried forward</b>		<b>91,516</b>	<b>5,379,131</b>	<b>5,470,647</b>	<b>377,140</b>	<b>5,628,020</b>	<b>6,005,160</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 2023

	Note	2023 £	2022 £
<b>Fixed assets:</b>			
Tangible assets	10	<u>5,324,246</u>	<u>5,445,786</u>
<b>Current assets:</b>			
Stocks	11	31,765	25,311
Debtors	12	281,109	411,796
Cash at bank and in hand		<u>271,216</u>	<u>578,488</u>
		<b>584,090</b>	<b>1,015,595</b>
<b>Liabilities:</b>			
Creditors: amounts falling due within one year	13	<u>240,436</u>	<u>257,988</u>
<b>Net current assets</b>		<b><u>343,654</u></b>	<b><u>757,607</u></b>
<b>Total assets less current liabilities</b>		<b>5,667,900</b>	<b>6,203,393</b>
Creditors: amounts falling due after one year	15	<u>197,253</u>	<u>198,233</u>
<b>Total net assets</b>	16	<b><u>5,470,647</u></b>	<b><u>6,005,160</u></b>
<b>The funds of the charity:</b>	17		
Restricted income funds		5,379,131	5,628,020
Unrestricted income funds:			
Designated funds		165,842	201,401
General funds		<u>(74,326)</u>	<u>175,739</u>
Total unrestricted funds		<b><u>91,516</u></b>	<b><u>377,140</u></b>
<b>Total charity funds</b>		<b><u>5,470,647</u></b>	<b><u>6,005,160</u></b>

Approved by the Trustee on 27 November 2023 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 2023

	Note	2023		2022	
		£	£	£	£
<b>Net (expenditure)/ income for the reporting period (as per the statement of financial activities)</b>			<b>(534,513)</b>		187,170
Depreciation charges			144,528		140,129
Interest received			(1,411)		(51)
Loss on disposal of fixed assets			204		1,693
(Increase) in stocks			(6,454)		(20,055)
Decrease /(increase) in debtors			130,687		(182,627)
(Decrease) in creditors			<u>(11,327)</u>		<u>(83,027)</u>
<b>Net cash (used in) /provided by operating activities</b>			<b>(278,286)</b>		<b>43,232</b>
<b>Cash flows from investing activities:</b>					
Interest received		1,411		51	
Purchase of fixed assets		<u>(23,192)</u>		<u>-</u>	
<b>Net cash (used in) / provided by investing activities</b>			<b>(21,781)</b>		51
<b>Cash flows from financing activities:</b>					
Repayments of borrowing		<u>(7,205)</u>		<u>(8,074)</u>	
<b>Net cash used in financing activities</b>			<b>(7,205)</b>		<b>(8,074)</b>
<b>Change in cash and cash equivalents in the year</b>	a		<b>(307,272)</b>		35,209
Cash and cash equivalents at the beginning of the			<u>578,488</u>		<u>543,279</u>
<b>Cash and cash equivalents at the end of the year</b>			<u><b>271,216</b></u>		<u><b>578,488</b></u>

a Analysis of changes in net debt

	At 1 April 2022	Cash flows	Other non- cash changes	At 31 March 2023
	£	£	£	£
Cash	578,488	(307,272)	-	271,216
<b>Total cash and cash equivalents</b>	<u>578,488</u>	<u>(307,272)</u>	<u>-</u>	<u>271,216</u>
Loans falling due within one year	(7,703)	6,225	-	(1,478)
Loans falling due after more than one year	(198,233)	980	-	(197,253)
<b>Total</b>	<u><b>372,552</b></u>	<u><b>(300,067)</b></u>	<u><b>-</b></u>	<u><b>72,485</b></u>

**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) 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 March 2025, which is prepared on a prudent basis. At the date of this report, c. £660k remains to be raised to meet the target income by 31 March 2024. A gala event taking place in February 2024 as well as a number of high-profile fundraising events this winter will contribute to this target. Unconfirmed income for the 24/25 financial year currently stands at £1.1m. To date, £1m (approximately 48%) of the target income for the year is secured. The Trustee has reviewed management’s strategies for securing these funds and a range of scenarios for cost-cutting and alternative fundraising initiatives should targets fall short by up to 20%. The Trustee’s decision to sell the Artists’ Flat to release unrestricted cash forms a core part of the overall strategy. It is anticipated that the flat will be sold by June 2024.

While acknowledging there are risks and a degree of uncertainty, as there is every year, the Trustee recognises the management’s continual efforts on income generation and cost monitoring as well as the track record of the SLG over many years. The SLG has significant assets which brings further comfort. It is the Trustee’s opinion that it is appropriate for the accounts to be prepared on the Going Concern basis.

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.

**1 Accounting policies (continued)**

**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.

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.

**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.

Notes to the financial statements

For the year ended 31 March 2023

2 Income from donations and legacies

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Arts Council England – NPO	826,345	–	<b>826,345</b>	826,345	–	826,345
Arts Council England – Culture Recovery Fund	–	–	–	193,455	–	193,455
Donations	120,188	–	<b>120,188</b>	78,786	–	78,786
London Borough of Southwark	–	–	–	83,500	–	83,500
Coronavirus Job Retention Scheme	–	–	–	21,809	–	21,809
Legacies	–	7,000	<b>7,000</b>	–	–	–
	<b>946,533</b>	<b>7,000</b>	<b>953,533</b>	<b>1,203,895</b>	<b>–</b>	<b>1,203,895</b>

3 Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
<b>Exhibitions &amp; live art, education &amp; events</b>						
BBC Children in Need	–	32,714	<b>32,714</b>	–	31,649	31,649
Bloomberg	–	125,000	<b>125,000</b>	–	–	–
Fidelity UK Foundation	–	72,450	<b>72,450</b>	–	143,050	143,050
Foyle Foundation	–	–	–	–	30,000	30,000
Freelands Foundation	–	168,416	<b>168,416</b>	–	146,153	146,153
Heritage Lottery Fund	–	–	–	–	335,639	335,639
Southwark Council	–	41,100	<b>41,100</b>	–	34,795	34,795
A New Direction / Mountview Academy	–	15,000	<b>15,000</b>	–	40,164	40,164
South London and Maudsley (SLaM)	–	–	–	–	20,645	20,645
NHS Foundation Trust	–	–	–	–	67,140	67,140
Trusts & Foundations	–	74,324	<b>74,324</b>	–	70,241	70,241
Other donations	–	130,939	<b>130,939</b>	–	–	–
Other educational services	–	–	–	24,250	102	24,352
Sponsorship	102,274	–	<b>102,274</b>	94,542	–	94,542
Museums and galleries exhibition tax relief	60,510	–	<b>60,510</b>	29,078	–	29,078
Total income from charitable activities	<b>162,784</b>	<b>659,943</b>	<b>822,727</b>	<b>147,870</b>	<b>919,578</b>	<b>1,067,448</b>

4 Income from other trading activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Sales of Editions, publications and products	56,730	–	<b>56,730</b>	279,206	–	279,206
Distribution From SLG Trading	46,243	–	<b>46,243</b>	36,130	–	36,130
Venue Hire	12,908	–	<b>12,908</b>	23,260	–	23,260
Miscellaneous income	141	–	<b>141</b>	50	–	50
	<b>116,022</b>	<b>–</b>	<b>116,022</b>	<b>338,646</b>	<b>–</b>	<b>338,646</b>

## South London Fine Art Gallery and Library

### Notes to the financial statements

For the year ended 31 March 2023

#### 5a Analysis of expenditure (current year)

	Cost of raising funds £	Charitable activities Exhibitions & live art, education & events £	Governance costs £	Support costs £	2023 Total £	2022 Total £
Staff costs (Note 7)	253,270	773,179	11,302	339,878	1,377,629	1,279,970
Freelance & consultancy costs	5,434	210,351	-	22,609	238,394	330,892
Training expenses	-	1,037	-	11,505	12,542	14,572
Marketing & publicity	-	65,484	-	57,750	123,234	114,135
Evaluation	-	500	-	8,181	8,681	-
Events	-	15,186	-	5,443	20,629	-
Transport and installation	3,787	31,545	-	114	35,446	34,958
Premises costs	833	20,525	-	61,556	82,914	108,169
Insurance	-	-	-	30,333	30,333	25,752
Repairs & maintenance	-	286	-	35,311	35,597	67,148
Travel, accommodation & per diems	105	30,180	-	10,566	40,851	5,886
Equipment hire	-	1,195	-	4,132	5,327	16,103
Materials	(5,896)	84,044	-	9,396	87,544	66,199
Office expenses	-	590	-	32,989	33,579	46,506
Postage & stationery	31	377	-	5,021	5,429	5,839
Publications & subscriptions	-	5,512	-	5,668	11,180	12,701
Audit & accountancy	-	-	18,786	27,600	46,386	52,431
Depreciation and loss on disposal of fixed assets	-	-	-	144,732	144,732	141,743
Management charge	-	-	-	15,405	15,405	27,042
Irrecoverable VAT	(50)	36,925	-	35,499	72,374	72,824
	257,514	1,276,916	30,088	863,688	2,428,206	2,422,870
Support costs	172,738	690,950	-	(863,688)	-	-
Governance costs	6,018	24,070	(30,088)	-	-	-
<b>Total expenditure 2023</b>	<b>436,270</b>	<b>1,991,936</b>	<b>-</b>	<b>-</b>	<b>2,428,206</b>	<b>2,422,870</b>

5b Analysis of expenditure (prior year)

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

Notes to the financial statements

For the year ended 31 March 2023

**6 Net expenditure for the year**

This is stated after charging:

	2023 £	2022 £
Depreciation	144,528	140,129
Loss on disposal of fixed assets	204	1,693
Operating lease rentals:		
Property	13,180	13,180
Equipment	1,522	-
Auditor's remuneration (excluding VAT):		
Audit – current year	16,200	14,100
Audit – prior year	-	5,048
Other services	860	9,910

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

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	1,185,880	1,101,194
Social security costs	99,507	85,777
Employer's contribution to defined contribution pension scheme	69,580	64,429
Employer's contribution to Southwark Council defined benefit pension	17,096	16,598
Recruitment and other staff costs	5,566	11,972
	<b>1,377,629</b>	<b>1,279,970</b>

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

	2023 No.	2022 No.
£60,000 – £69,999	1	-
£70,000 – £79,999	-	-
£80,000 – £89,999	-	-
£90,000 – £99,999	1	1
£100,000 – £109,000	-	-

The total employee benefits (including employer's pension contributions and employer's national insurance) of the key management personnel were £375,961 (2022: £349,978).

The charity directors were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). In 2023 one director received payment of £300 for services as a panelist for the postgraduate residency (2022: £nil).

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 2023 or 2022.

**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	
	2023 No.	2022 No.	2023 No.	2022 No.
Fundraising and publicity	6.2	4.6	5.6	4.0
Exhibitions	51.3	49.0	21.1	22.3
Support	13.9	13.3	10.7	9.5
Governance	0.1	0.1	0.1	0.1
	<u>71.5</u>	<u>67.0</u>	<u>37.5</u>	<u>35.9</u>

**9 Related party transactions**

During the year the Charity incurred sales commissions payable to SLG Trading Ltd of £15,405 (2022: £27,042). SLG Trading Ltd incurred management charges payable to the Charity of £5,380 (2022: £7,502). In addition, the Charity made sales of goods and services to SLG Trading Ltd of £50,474 (2022: £42,141) and purchased goods and services from SLG Trading Ltd of £3,658 (2022: £1,176). SLG Trading covenanted its profit of £46,243 (2022: £36,130) to the Charity.

7 directors (2022: 8) made donations (including patrons income) during the year to a total of £11,164 (2022: £9,664) including VAT and fees. One director's spouse made a £50,000 contribution to Exhibition Support. 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 2023

10 Tangible fixed assets

	Freehold improvements £	Fire Station building £	Long leasehold £	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	243,058	6,522,088
Additions in year	-	-	-	-	23,192	-	23,192
Disposals in year	-	-	-	-	-	(575)	(575)
At the end of the year	535,270	3,535,488	320,467	1,787,728	123,269	242,483	6,544,705
<b>Depreciation</b>							
At the start of the year	110,027	243,788	57,563	427,751	100,077	137,096	1,076,302
Charge for the year	7,554	70,709	12,548	35,754	5,146	12,817	144,528
Released on disposal	-	-	-	-	-	(371)	(371)
At the end of the year	117,581	314,497	70,111	463,505	105,223	149,542	1,220,459
<b>Net book value</b>							
At the end of the year	417,689	3,220,991	250,356	1,324,223	18,046	92,941	5,324,246
At the start of the year	425,243	3,291,700	262,904	1,359,977	-	105,962	5,445,786

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.

Notes to the financial statements

For the year ended 31 March 2023

**11 Stocks**

	2023 £	2022 £
Finished goods	31,765	25,311
	<u>31,765</u>	<u>25,311</u>

**12 Debtors**

	2023 £	2022 £
Trade debtors	148,874	122,537
Other debtors	3,063	-
Due from SLG Trading	82,579	153,577
Prepayments	46,593	15,600
Accrued income	-	120,082
	<u>281,109</u>	<u>411,796</u>

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

	2023 £	2022 £
Mortgage loan	1,478	7,703
Deferred income (note 14)	26,180	40,383
Trade creditors	139,004	67,587
Taxation and social security	24,721	19,065
VAT Creditor	8,166	5,337
Other creditors	4,377	(263)
Accruals	36,510	118,176
	<u>240,436</u>	<u>257,988</u>

**14 Deferred income**

Deferred income comprises grants and donations and venue hire received in the year which relate to activity in a future period.

	2023 £	2022 £
Balance at the beginning of the year	40,383	33,710
Amount released to income in the year	(40,383)	(33,710)
Amount deferred in the year	26,180	40,383
	<u>26,180</u>	<u>40,383</u>

**15 Creditors: amounts falling due after one year**

	2023 £	2022 £
Mortgage loan	197,253	198,233
	<u>197,253</u>	<u>198,233</u>

The loan facilities are repayable as follows:

• Under one year	1,478	7,703
• Between one and two years	-	7,943
• Between two and five years	15,244	26,211
• Over five years	182,009	164,079
	<u>198,731</u>	<u>205,936</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. From June 2023 to June 2026 payments will be interest only.

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

Notes to the financial statements

For the year ended 31 March 2023

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

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	332,808	4,991,438	5,324,246
Net current assets	(74,326)	30,287	387,693	343,654
Long term liabilities	-	(197,253)	-	(197,253)
<b>Net assets at the end of the year</b>	<b>(74,326)</b>	<b>165,842</b>	<b>5,379,131</b>	<b>5,470,647</b>

16b Analysis of net assets between funds (prior 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>

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	5,112,299	-	(120,861)	-	4,991,438
BBC Children in Need	5,065	32,714	(28,656)	-	9,123
Bloomberg Digital Accelerator	-	125,000	(55,228)	-	69,772
Fidelity UK Foundation	123,780	72,450	(86,402)	-	109,828
Freelands Foundation	146,900	168,416	(188,829)	-	126,487
Heritage Lottery Fund	163,217	-	(163,217)	-	-
A New Direction	-	15,000	(10,255)	-	4,745
SLaM NHS Foundation Trust	10,132	-	(4,191)	-	5,941
Southwark Council	2,871	41,100	(40,326)	-	3,645
Other restricted funds	63,756	212,263	(217,867)	-	58,152
<b>Total restricted funds</b>	<b>5,628,020</b>	<b>666,943</b>	<b>(915,832)</b>	<b>-</b>	<b>5,379,131</b>
<b>Unrestricted funds:</b>					
Designated funds:					
Fixed Assets	333,487	-	(18,725)	18,046	332,808
Mortgage liability	(205,936)	-	-	7,205	(198,731)
Current Assets: Stocks	25,311	-	-	6,454	31,765
Other designated funds	48,539	11,173	(56,486)	(3,226)	-
Total designated funds	201,401	11,173	(75,211)	28,479	165,842
<b>General funds</b>	<b>175,739</b>	<b>1,215,577</b>	<b>(1,437,163)</b>	<b>(28,479)</b>	<b>(74,326)</b>
<b>Total unrestricted funds</b>	<b>377,140</b>	<b>1,226,750</b>	<b>(1,512,374)</b>	<b>-</b>	<b>91,516</b>
<b>Total funds</b>	<b>6,005,160</b>	<b>1,893,693</b>	<b>(2,428,206)</b>	<b>-</b>	<b>5,470,647</b>

The transfers between funds represents amounts transferred from general funds to the Mortgage Liability fund and the designated Fixed Assets fund.

Notes to the financial statements

For the year ended 31 March 2023

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	5,233,560	-	(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>					
Designated funds:					
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
Total designated funds	317,673	26,577	(172,100)	29,251	201,401
<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>

**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.

**Bloomberg Digital Accelerator**

Grant towards digital infrastructure development

**A New Direction**

Grant for education activities

**Other restricted funds**

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

Notes to the financial statements

For the year ended 31 March 2023

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	
	2023	2022	2023	2022
	£	£	£	£
Less than 1 year	6,590	13,180	1,772	2,104
1 – 5 Years	–	6,590	388	1,578
	<b>6,590</b>	<b>19,770</b>	<b>2,160</b>	<b>3,682</b>

21 Post balance sheet events

After the year end the Trustee took out a loan of £150k from the Charity Bank secured against the Artists' Residency Flat. The loan was drawn down in June 2023. Interest only is due for 3 years from June 2023, with the capital to be repaid upon the sale of the flat, which is currently on the market.

22 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.