

FFOTOGALLERY WALES LIMITED

FINANCIAL STATEMENTS

31 MARCH 2022

**Charity Number 513726
Company Number 01705938**

FFOTOGALLERY WALES LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

CONTENTS	PAGE
Trustees' Annual Report	1 - 7
Reference and Administrative Information	8
Independent Examiner's Report to the Trustees	9 - 10
Statement of Financial Activities	11
Balance Sheet	12
Cash Flow Statement	13
Notes to the financial statements	14 - 22

FFOTOGALLERY WALES LIMITED

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities'.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity was incorporated on 11 March 1983. New Articles of Association were adopted by special resolution on 21 May 2014. It is a company limited by guarantee as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

As set out in the Articles of Association the Management Committee consists of up to 15 trustees, appointed by voting members of the charitable company attending an Annual General Meeting or by co-option during the year to fill specialist roles. When considering co-opting trustees, the Management Committee has regard to the requirement for any specialist skills needed.

Induction and training of new trustees

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, content of the Articles of Association, the committee and decision-making processes, internal control arrangements, the business plan and recent financial performance of the charity.

Organisation structure

Ffotogallery has a board of Trustees elected annually. The Board delegates day-to-day management responsibilities to the Director, supported by a paid team that in 2021/21 included Operations Manager, Exhibitions Manager, Production Coordinator and creative Producer, with additional freelance and short-term posts, web design and marketing professionals, and various paid interns and volunteers.

The Director makes a major contribution to strategic business planning and has responsibility for artistic direction and programming of the organisation's work. Performance against organisational and budgetary targets is reviewed quarterly by the Board. Ffotogallery's Business Plan is reviewed every six months and updated annually.

The previous Director, David Drake had stated his intention to leave his role at the end of 2021. The Trustees undertook a process of recruiting a successor, and Siân Addicott was appointed at the end of December 2021. Siân took up the position on April 1st 2022.

Risk management

Ffotogallery operates a risk assessment policy and the organisation has reviewed the major risks, both financial and operational, that might have material impact. The company is confident that the risk

FFOTOGALLERY WALES LIMITED

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

assessment and management systems in place will ensure the future stability and sustainability of the organisation.

OBJECTS AND ACTIVITIES

Objects and charitable purposes

The principal activity of the charitable company is to promote, maintain, improve and advance education in the knowledge, understanding and appreciation of the arts and in particular in the medium of photography. This means that Ffotogallery provides public benefit under at least two statutory charitable purposes: the advancement of education and the advancement of arts, culture, heritage and science.

Public benefit

The organisation's trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission. Public benefit is at the heart of the objectives set out above. Significant activities that we undertook during the year that demonstrate public benefit are set out on the following pages. No trustee received any financial benefit from Ffotogallery during the year.

Mission

As an arts charity, Ffotogallery's mission is to enable people in Wales and beyond to engage with contemporary visual culture in a way which educates and inspires, develops their creativity and otherwise benefits their lives.

Our vision is for everyone to be able to enjoy transformational experiences through photography and lens-based media.

Our work is simultaneously local, national and international, working with a wide range of partners in physical and virtual spaces, and reflecting a diversity of creative practices and cultural perspectives. Our aim is to bring international talent to Wales and showcase Welsh talent to the world. Our principal activities are:

- *Engaging audiences through exhibitions, print and online publishing activities and projects that reflect the evolution of the photographic medium and its value to society*
- *Developing learning resources, organising talks and events, courses and workshops to support practice, knowledge exchange and public engagement*
- *Commissioning and presenting the work of new and established artists and cross-disciplinary practice that responds to the evolving nature of the medium*
- *Providing a creative studio and digital workspace for creative practitioners, collaborating groups and visiting international artists and curators*
- *Preserving existing and producing new archival materials and establishing a library and online platform to make them publicly accessible*
- *Developing talent through internships, volunteering and skills development opportunities across the range of the organisation's work*

FFOTOGALLERY WALES LIMITED

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

We are mid-way through our current five year plan, and in pursuit of the above, our priorities for the period 2020 – 2025 are:

To develop the full potential of the organisation's new premises to enable Ffotogallery to draw together the various strands of its work and provide a focal point for photography and lens-based media in Wales.

To extend our cultural offer and reach in Wales and beyond through a series of national and international projects which capture the richness and diversity of contemporary Wales, sharing different aspects of the nation's cultural life to audiences at home and globally.

To build on the achievements of four previous biennial editions of Diffusion - Cardiff International Festival of Photography, and mount successful future events in partnership with organisations across the city, in Wales and internationally.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Through various exhibitions, publications, courses, educational projects and events, Ffotogallery has continued to present the contemporary photographic image in a rich and widening context of critical and historical debate. This year we undertook projects and presented exhibitions in a variety of sites and locations in Wales, other parts of the United Kingdom, Europe and Internationally.

Programming in 2021/22

Despite the ongoing challenges of the pandemic, in 2020/2021 Ffotogallery delivered an extensive programme of exhibitions, projects and public programmes with significant reach and impact in Wales and beyond.

Following a period of closure due to Covid, the gallery reopened in May 2021 with our second iteration of Many Voices, One Nation 2. The exhibition of twelve commissions of emergent Wales-based artists had opened originally in December 2020, but with a further round of Covid restrictions announced shortly after, the gallery remained closed until May 2021. It was followed by Suzie Larke's Unseen, Zillah Bowes' Green Dark and Maryam Wahid's Motherland. We also toured new editions of Mike Perry's Land/Sea to Thelma Hulbert Gallery in Devon and Oriel y Parc in St Davids.

The Board had decided earlier in 2021 to push the timeline for the next Diffusion festival back by six months to October 2021. The fifth biennial edition of Diffusion was staged at a moment in time when the arts were emerging from the worse effects of the pandemic, and Ffotogallery's planning needed to factor in contingencies in the event of physical exhibitions and events not being possible. There was an increased emphasis on public realm interventions, particularly in Cardiff and Newport, and fewer physical venues for exhibitions, although many were larger units able to accommodate more artists' work and participatory workshops and events. We had to be inventive in terms of what work we showed, where, and focus on building new partnerships in different communities.

Despite those constraints, we were able to present work by over 60 artists from five continents, addressing well our commitment to diversity, inclusion and development of artists and arts practice in Wales.

FFOTOGALLERY WALES LIMITED

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

For this Diffusion, Ffotogallery partnered with a wide range of local, regional and international partners to jointly devise and deliver a season of exhibitions, festival events and public engagement projects bringing together outstanding contemporary photography and lens-based work from around the world and showcasing exciting new bodies of work developed in Wales. With a locus of activities in Cardiff and Newport, Diffusion touring and outreach activities reached Llanelli, St Davids, and the Vale of Glamorgan. Further afield, we presented Michal Iwanowski's Go Home Polish at Fotosommer Stuttgart, as part of the Wales in Germany 2021 initiative.

The festival theme was Turning Point - "a time at which a decisive change in a situation occurs, especially one with beneficial results". Periods of uncertainty often provide the momentum for positive change. Wellbeing, resilience, access and inclusion, social justice, community cohesion and environmental responsibility were the interweaving strands of the project which guided our partnerships and programming decisions.

As well as exhibitions and events celebrating the power of photography and the digital image to reach and engage diverse audiences, Diffusion showcased the latest applications of immersive digital technologies, and built on collaborative links between Welsh artists, media producers and companies who are working internationally in Europe, the Americas, India, Australia and Africa.

Commissions for Welsh and Wales-based artists John Crerar, Hilary Powell, Janire Najera, Gareth Phillips, Abby Poulson, Rhys Webber, Kamila Jarczak, Antonia Osuji, Fez Miah, Dilip Sinha, Justin Teddy Cliffe, Sarah Goodey and Anna Sellen (the Ink Collective) examined contemporary Welsh identity and experience, and we were able to premiere exciting new work by Joao Saramago and Richard Jones, Black Mantis, Huw Davies and Sebastian Bustamante.

We partnered with the Pharmabees project and Greener Cathays to explore ways of cultivating more biodiversity in urban spaces, with the National Museum and Oriel y Parc in exploring improved marine and land management. We worked closely with Iris and the LGBT+ community in Wales, and with schools, universities, community centres and arts groups in Newport, and Cardiff examining issues of environmental responsibility, diversity and identity.

In line with the above themes, we delivered exciting international collaborations with Chennai Photo Biennale, PAWA254 in Kenya, Fotosommer in Germany, the First Nation Australian artist Tim Georgeson and North American artists Mary Farmilant and Lydia Panas. The More Than a Number exhibition, curated by Ffotogallery's Creative Producer Cynthia Sitei, featured 12 exceptional photographers from across Africa.

Following our Diffusion festival we took the decision to extend the 'More Than A Number' exhibition at our premises in Cardiff through until Christmas. This was to provide an opportunity for the multi-artist exhibition focussing on the work of twelve African photographers to reach an even wider audience. We also continued to support the new edition of Mike Perry's Land/Sea showing at Oriel y Parc in St Davids until February. Both exhibitions were supported by a range of workshops and activities. And in January 2022, still under additional Covid restrictions, we presented the exhibition - *Invisible Britain - This Separated Isle*, curated by Paul Sng, and which culminated with a programme of artist talks, seminars and film showing around the closing weekend in February.

The year also saw a major change in the leadership of the organisation. David Drake, who had led the organisation for 13 years, had previously indicated his intention to step down at the end of 2021. The Board completed the recruitment process for our new Director, via a series of online and in-person

FFOTOGALLERY WALES LIMITED

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

interviews and staff presentations. A formal announcement was made on January 21st, and Siân Addicott, formerly Head of Undergraduate Photography at University of Wales Trinity St Davids, took up the role at the beginning of April 2022. The Board is hugely grateful for the contribution David made during his time at the helm, and are looking forward to working with our new Director on the next stage of the Ffotogallery story.

Charitable Activities

Impact of Ffotogallery's Charitable Activities

In 2021/22 Ffotogallery's activities reached a physical audience of 188,066, with a further 60,514 individuals enjoying our work online. This reflects the impact of the pandemic on our exhibitions and outreach activities.

FINANCIAL REVIEW

In the last five years we have demonstrated our ability to directly earn income from activities and to secure funding from sources as diverse as the Welsh Government, European Commission, British Council and the Arts Council of Wales.

Our income in 2021/22 was £503,142 and we incurred expenditure of £491,545.

The Arts Council annual funding partially covers our core running costs. There is a gap we need to make up in relation to salaries, on-costs, rent and overheads, and ongoing operational and administrative costs. There are no residual funds for us to deliver programming activities to achieve our charitable purpose and objectives, to cover small equipment purchases, one-off repairs and maintenance costs, or to restore core staffing levels up to the previous levels.

The continuing enforced closure of our premises and the ongoing impact of cancellations and indefinite postponements of touring exhibitions, projects, hires and events, continued to impact on anticipated earned income. The support of Arts Council of Wales through the second and third rounds of the Creative Recovery Fund provided vital lifelines. The enabled us to keep the operation going and to prepare for a time when we were able to reopen.

The Weston Jerwood funding of the role of Creative Producer continued through until the end of 2021 and the support via the third round of the Creative Recovery Fund allowed us to extend this role for a further six months.

Reserves Policy

In order to maintain effective operations of the organisation the Board of Trustees has agreed to work towards a financial reserve of 4 months operating costs. This level of reserves would allow staff to continue working to secure new funding and if necessary to allow a period of time to cease activity in a way where staff and supplier contracts can be terminated or modified. This is an amount it considers prudent in the event of a major business interruption as determined by an analysis of risks to the charity.

If difficulties were to arise then, it has been calculated that reserves of £15,000 would be needed to continue running current services for at least 4 months.

FFOTOGALLERY WALES LIMITED

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

This figure is based on operating costs at the time of this policy being reviewed. This will be reviewed annually and the figure recalculated to take changes in operating costs (as services change in response to income generation) into account. This figure will also be reviewed on an ad-hoc basis if there are significant changes to business circumstances.

The reserves should be built up from the unrestricted income. The level of reserves should be calculated and monitored every 6 months by the finance team and reported to the board.

Our end of year accounts last year showed a balance of unrestricted reserves of £73k, but the timing of the year end, meant that a significant proportion of this was set aside for commitments that had been deferred by the pandemic. The combined impact of presenting a compacted programme, and the challenges of delivering the Diffusion festival in a time of uncertainty and the challenges of attracting new funding, meant that our unrestricted reserves were reduced to £33,151.

The free reserves held at the year end were £12,180, and it will remain a priority for us to rebuild these reserves to the required level.

Future Developments

Last year, we noted how periods of uncertainty can provide the momentum for positive change. We remain confident that the lessons we have learned through the pandemic will help build a more resilient organisation. But as society emerges from the pandemic the world of the arts will clearly face new pressures - a period of recovery and resetting will be required. We feel well placed to face these challenges, with a small but committed staff team, a new Director in place, and an engaged Board of Trustees. We will also look to build and strengthen new and existing partnerships, through which we will seek to maximise our impact and reach new audiences.

As we prepared for the change in Director, we were mindful not to overcommit the organisation to new projects, so as to create room for the new Director to shape the future programme. We look forward to the coming year and the opportunity to build on the things we do well as well as explore new opportunities in our artistic, community and educational work.

When we moved to our new home in 2019, our vision was to bring our activities together under one roof and create a new home for photography in Wales. The pandemic had a significant impact on this ambition, but we remain committed to making the most of our new base.

Looking ahead, our financial strategy will focus on how we can maximise the building's potential to generate earned income from workshops, events, room hires and retail, and to leverage grant income for core activities delivered from the building. These include our public engagement programme and exhibitions with a specific community or social issue focus, for example tackling issues of gender, diversity and disability.

The Arts Council of Wales Investment Review process will also be completed during 2022/23 with final submissions due in the Spring of 2023. Decisions will be made early in 2023/24 financial year, with the new agreements coming in to place in from April 2024. It is anticipated that current levels of funding will continue until April 2024.

FFOTOGALLERY WALES LIMITED

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2022

As we look ahead, we recognise that the environment in which we operate will have challenges, but we remain confident in our ability to respond positively to these. Ffotogallery has an important role to play in celebrating the role that photography can and does play in our society - it can help us see one another more clearly and better understand and appreciate the world around us.

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of Ffotogallery Wales Limited for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

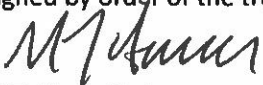
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed by order of the trustees



M Talfan - Chair

Approved by the trustees on 7/12/22

FFOTOGALLERY WALES LIMITED

REFERENCE & ADMINISTRATIVE INFORMATION

YEAR ENDED 31 MARCH 2022

Company number: 01705938

Charity number: 513726

Trustees

Mathew Talfan (Chair)

Jack Arthur

Michael Bryan – resigned 31 March 2022

Paul Cabuts – appointed 13 September 2021 and resigned 12 September 2022

Angharad Evans

Emily Harris – appointed 28 June 2021

Philippa Haughton

Celia Jackson – resigned 12 April 2021

Deian Jones

David Massey – resigned 31 March 2022

Hugh Thomas

Bronwen Colquhoun – appointed 12 September 2022

Company Secretary

D R Drake – resigned 1 May 2022

Sian Addicott – appointed 1 May 2022

Registered Office

Ffotogallery Wales Limited

Old Sunday School

Fanny Street

Cardiff

CF24 4EH

Independent Examiner

Joshua Kingston BSc. ACA

Burton Sweet Limited Chartered Accountants

The Clock Tower

5 Farleigh Court

Old Weston Road

Flax Bourton

Bristol BS48 1UR

FFOTOGALLERY WALES LIMITED
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
YEAR ENDED 31 MARCH 2022

Independent examiner's report to the trustees of Ffotogallery Wales Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

FFOTOGALLERY WALES LIMITED

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

YEAR ENDED 31 MARCH 2022

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

Joshua Kingston BSc. ACA
Burton Sweet Limited Chartered Accountants
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date:

FFOTOGALLERY WALES LIMITED**STATEMENT OF FINANCIAL ACTIVITIES (Including income and expenditure account)****YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations	2	291,484	155,367	446,851	421,558
Charitable activities	3	25,679	23,523	49,202	1,998
Other trading activities		7,089	-	7,089	(135)
Total income		324,252	178,890	503,142	423,421
Expenditure on:					
Charitable activities	4	306,117	185,428	491,545	339,337
Total expenditure		306,117	185,428	491,545	339,337
Net income/(expenditure)	5	18,135	(6,538)	11,597	84,084
Transfers	14	(58,001)	58,001	-	-
Net movement in funds		(39,866)	51,463	11,597	84,084
Total funds brought forward	14	73,017	17,309	90,326	6,242
Total funds carried forward	14	33,151	68,772	101,923	90,326

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

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

Comparative fund movements are shown in note 7.

The notes on pages 14 to 22 form part of these financial statements

FFOTOGALLERY WALES LIMITED

BALANCE SHEET

AT 31 MARCH 2022

	Notes	2022 £	2021 £
Fixed assets	8	20,971	35,476
Current assets			
Stocks		27,840	16,814
Debtors	9	10,945	46,625
Cash at bank		49,228	28,410
		<u>88,013</u>	<u>91,849</u>
Creditors: Amounts falling due within one year	10	(7,061)	(36,999)
Net current assets		<u>80,952</u>	<u>54,850</u>
Net assets		<u>101,923</u>	<u>90,326</u>
Funds			
Restricted	15	68,772	17,309
Unrestricted	15	33,151	73,017
		<u>101,923</u>	<u>90,326</u>

For the year ending 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the trustees on 7/12/22 and are signed on their behalf by:



M Talfan - Chair

Company registration number 01705938

The notes on pages 14 to 22 form part of these financial statements

FFOTOGALLERY WALES LIMITED
CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2022

	Notes	2022	2021
		£	£
Cash flow from operating activities	11	28,426	104,360
Cash flow from financing activities			
Repayment of overdraft		-	(28,365)
Cash flow from investing activities			
Purchase of fixed assets		(7,608)	(47,625)
Net cash inflow / (outflow) for the year	13	<u>20,818</u>	<u>28,370</u>

Cashflow restrictions

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

The notes on pages 14 to 22 form part of these financial statements

FFOTOGALLERY WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the historical cost convention (except for investments which have been included at fair value and 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) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 (or *Companies Act 2006*) and UK Generally Accepted Practice as it applies from 1 January 2019.

The charity is a public benefit entity.

The Trustees consider that there are no material uncertainties affecting the going concern of the charity given the careful planning of the Trustees and having considered the wider economy.

Income

Income is recognised and included in the accounts when the charity becomes entitled to the funds, performance conditions attached to the income have been met, receipt of the income is considered probable, and the amount can be measured reliably.

Income from exhibitions is included as income in the period in which the relevant show takes place. Income from exhibitions in advance of productions is deferred and released in the period in which the show falls. Income from grants is recognised when the charity has entitlement and the conditions attached to the funds have been met.

Gifts in kind are valued at the fair value to the organisation in the case of assets for retention or consumption and in the case of donated services or facilities.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party. It is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that activity exclusive of VAT. Support costs and where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resource.

Costs of charitable activities comprise of the exhibition costs and associated expenses.

Governance costs include the costs of governance arrangements which relate to the general running of the charity. These costs are associated with constitutional and statutory requirements and include costs associated with the strategic management of the charity's activities. They have been included within support costs.

Transactions in foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the Balance Sheet date. All differences are taken to the Statement of Financial Activities.

Fund accounting

Unrestricted funds contain accumulated surplus and deficits on general funds and can be used in accordance with the charity objects at the discretion of the board of trustees.

Restricted funds represent monies received for specific purposes. All income and expenditure relating to the restricted funds' movements is included in the income and expenditure account. Further details of restricted funds are shown in note 14.

FFOTOGALLERY WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

1 Accounting policies (continued)

Fixed assets

Depreciation is calculated so as to write-off the cost of an asset, less its estimated residual value, over the useful

Computer and office equipment:	3 years straight line
Leasehold Improvements	3 years straight line
Props and production equipment	3 years straight line

Items of equipment are capitalised where the purchase price exceeds £500.

Stock

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

Donated items are not valued in stock and recognised in income only when sold.

Debtors

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

Cash and cash equivalents

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.

Creditors

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

2 Income from donations

	Unrestricted Funds	Restricted Funds	Total funds 2022
	£	£	£
Donations	205	-	205
Grant income received:			
Arts Council Wales - Revenue	201,666	-	201,666
Arts Council Wales - Capital Grant	-	-	-
Jerwood Foundation	-	8,044	8,044
Cardiff City Council - Covid Grants	-	-	-
British Council - Digital SSA	-	-	-
Arts Council Wales - Covid recovery	89,613	47,323	136,936
Colwinston Trust - Diffusion	-	-	-
Creative Europe funding - A Woman's Work	-	-	-
Welsh Government	-	50,000	50,000
British Council - Wales India	-	50,000	50,000
	<u>291,279</u>	<u>155,367</u>	<u>446,646</u>
	<u>291,484</u>	<u>155,367</u>	<u>446,851</u>

FFOTOGALLERY WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

2 Income from donations (continued)

Previous year	Unrestricted Funds £	Restricted Funds £	Total funds 2021 £
Donations	24	-	24
Grant income received:			
Arts Council Wales - Revenue	201,666	-	201,666
Arts Council Wales - Capital Grant	-	3,968	3,968
Jerwood Foundation	-	6,831	6,831
Cardiff City Council - Covid Grants	23,000	-	23,000
British Council - Digital SSA	-	8,000	8,000
Arts Council Wales - Covid recovery	119,273	-	119,273
Colwinston Trust - Diffusion	-	5,000	5,000
Creative Europe funding - A Woman's Work	-	43,796	43,796
British Council - Wales India	-	10,000	10,000
	<u>343,939</u>	<u>77,595</u>	<u>421,534</u>
	<u>343,963</u>	<u>77,595</u>	<u>421,558</u>

3 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total funds 2022 £	Total funds 2021 £
Exhibition income	-	4,061	4,061	1,500
Sales of publications	2,021	922	2,943	498
Kickstart scheme receipts	23,658	18,540	42,198	-
	<u>25,679</u>	<u>23,523</u>	<u>49,202</u>	<u>1,998</u>

All income from charitable activities in 2021 was unrestricted.

FFOTOGALLERY WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

4 Expenditure on charitable activities

	Total funds 2022	Total funds 2021
	£	£
Staff costs	180,273	119,221
Intern Costs	10,228	500
Premises costs	55,525	46,761
Office running costs	5,426	8,517
Subscriptions and library	917	1,662
Sundry expenditure	4,230	5,215
Exhibition production costs	177,772	112,920
Exhibition information	1,332	404
Publication costs	10,256	18,421
Publicity costs	13,595	3,738
Training courses	1,350	20
Purchase of equipment	724	488
Staff and volunteer expenses	2,628	370
Depreciation	22,113	19,570
Accountancy	2,286	1,294
Stock Adjustment	-	(766)
Governance costs	2,890	1,002
	<u>491,545</u>	<u>339,337</u>

Staff and volunteer expenses includes £Nil (2021: £Nil) paid to Nil (2021 - Nil) trustees for travel expenses.

5 Net income/(expenditure) for the year

	Total funds 2022	Total funds 2021
	£	£
Stated after charging:		
Depreciation	22,113	19,570
Independent Examiner's fee - for current year	2,800	1,600
- underprovided in prior year	90	-
	<u>25,003</u>	<u>21,170</u>

6 Staff costs and numbers

The aggregate payroll costs were:

	Total funds 2022	Total funds 2021
	£	£
Wages and salaries	166,796	87,288
Social security costs	9,776	25,232
Pension costs	3,701	6,701
	<u>180,273</u>	<u>119,221</u>

No remuneration was paid to Trustees in either the current or prior year.

The average number (headcount) of employees and freelance staff in the year was as follows:

	Total funds 2022	Total funds 2021
Number of employees	9	4
	<u>9</u>	<u>4</u>

FFOTOGALLERY WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

6 Staff costs and numbers (continued)

No employee was paid more than £60,000 in 2022 or 2021.

The key management personnel are considered to be the Trustees, the Director, Operations Manager, the Learning and Engagement Manager, the Production Coordinator and the Curator.

The total aggregate employment benefits, including employer pension costs and employer's national insurance contributions, received by key management personnel were £146,311 (2021: £119,221).

7 Comparative fund movements

	Unrestricted Funds £	Restricted Funds £	Total funds 2021 £
Income from:			
Donations	343,963	77,595	421,558
Other trading activities	1,998	-	1,998
Charitable activities	(135)	-	(135)
Total income	345,826	77,595	423,421
Expenditure on:			
Charitable activities	252,253	87,084	339,337
Total expenditure	252,253	87,084	339,337
Net income/(expenditure) and net movement in funds	93,573	(9,489)	84,084
Total funds brought forward	(20,556)	26,798	6,242
Total funds carried forward	73,017	17,309	90,326

8 Tangible fixed assets

	Leasehold improvements	Props and production equipment £	Computers & office equipment £	Total £
Cost				
At 1 April 2021	24,207	10,285	24,265	58,757
Additions	-	-	7,608	7,608
At 31 March 2022	24,207	10,285	31,873	66,365
Depreciation				
At 1 April 2021	8,772	5,088	9,421	23,281
Charge for the year	8,062	3,427	10,624	22,113
At 31 March 2022	16,834	8,515	20,045	45,394
Net book value				
At 31 March 2022	7,373	1,770	11,828	20,971
At 31 March 2021	15,435	5,197	14,844	35,476

FFOTOGALLERY WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

9 Debtors

	2022	2021
	£	£
Trade debtors	8,692	150
Taxation and social security	2,253	2,679
Grant income due	-	43,796
	<u>10,945</u>	<u>46,625</u>

10 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	1,936	12,000
Accruals	2,800	24,932
Tax and social security	2,325	-
Other creditors	-	67
	<u>7,061</u>	<u>36,999</u>

11 Reconciliation of net movement in funds to net cash flow from operating activities

	2022	2021
	£	£
Statement of Financial Activities: net movement in funds	11,597	84,084
Depreciation	22,113	19,570
(Increase) / decrease in stock	(11,026)	(766)
(Increase) / decrease in debtors	35,680	(22,434)
Increase / (decrease) in creditors	(29,938)	23,906
Net cash inflow / (outflow) from operating activities	<u>28,426</u>	<u>104,360</u>

12 Analysis of net debt

	At 1 April 2021	Cashflows	As at 31 March 2022
	£	£	£
Cash and cash equivalents			
Cash	40	-	40
Cash at bank	28,370	20,818	49,188
	<u>28,410</u>	<u>20,818</u>	<u>49,228</u>

	At 1 April 2020	Cashflows	As at 31 March 2021
	£	£	£
Cash and cash equivalents			
Cash	40	-	40
Overdrafts	(28,365)	28,365	-
Cash at bank	-	28,370	28,370
	<u>(28,325)</u>	<u>56,735</u>	<u>28,410</u>

FFOTOGALLERY WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

13 Analysis of changes in cash during the year

	2022	2021	Change
	£	£	£
Cash at bank and in hand	49,228	28,410	20,818
	<u>49,228</u>	<u>28,410</u>	<u>20,818</u>
	2021	2020	Change
	£	£	£
Cash at bank and in hand	28,410	40	28,370
	<u>28,410</u>	<u>40</u>	<u>28,370</u>

14 Movement in funds

	At				At
	1 Apr 21	Income	Expenditure	Transfers	31 Mar 22
	£	£	£	£	£
Restricted funds					
Weston Jerwood Creative Bursaries	2,774	1,463	-	-	4,237
Arts Council Wales - Capital Grants	-	2,323	(363)	(1,960)	-
British Council - Wales/India	7,585	50,000	-	-	57,585
British Council - Digital SSA	6,950	-	-	-	6,950
Diffusion	-	125,104	(185,065)	59,961	-
	<u>17,309</u>	<u>178,890</u>	<u>(185,428)</u>	<u>58,001</u>	<u>68,772</u>
Unrestricted funds					
General funds	73,017	324,252	(306,117)	(58,001)	33,151
Total funds	<u>90,326</u>	<u>503,142</u>	<u>(491,545)</u>	<u>-</u>	<u>101,923</u>

FFOTOGALLERY WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

14 Movement in funds (continued)

Previous year

	At 1 Apr 20 £	Income £	Expenditure £	Transfers £	At 31 Mar 21 £
Restricted funds					
Weston Jerwood Creative Bursaries	-	6,831	(4,057)	-	2,774
Arts Council Wales - Capital Grants	-	3,968	(3,968)	-	-
British Council - Wales/India	-	10,000	(2,415)	-	7,585
British Council - Digital SSA	-	8,000	(1,050)	-	6,950
Creative Europe Award - A Woman's Work	26,798	43,796	(70,594)	-	-
Colwinston trust	-	5,000	(5,000)	-	-
	<u>26,798</u>	<u>77,595</u>	<u>(87,084)</u>	<u>-</u>	<u>17,309</u>
Unrestricted funds					
General funds	(20,556)	345,826	(252,253)	-	73,017
Total funds	<u>6,242</u>	<u>423,421</u>	<u>(339,337)</u>	<u>-</u>	<u>90,326</u>

Fund Descriptions

Weston Jerwood Creative Bursaries - funding towards the salary costs of a 12 month Creative Producer fellowship at Ffotogallery under a national scheme to increase diversity of representation in the arts.

Arts Council Wales - Capital Grants - One off capital funds to make Ffotogallery's premises Covid-safe and to enhance equipment and facilities.

British Council - Wales/India - Funding to support a partnership between Chennai Photo Biennale and Ffotogallery involving the commissioning of three Indian and two Wales-based artists to make new work addressing the theme 'Imagining the Nation State'.

British Council - Go Digital SSA - Funding to support a digital collaboration between PAWA254 in Kenya and Ffotogallery to create a virtual platform called Where's My Space?

Creative Europe - A Woman's Work - a multi year project running from October 2018 until September 2020.

Colwinston trust - Funds received to support artist Hilary Powell's project *TIN WORKS* that was shown as part of Diffusion 2021

Diffusion - Funding to support Ffotogallery's photography biennale *Diffusion* that focuses on bringing Welsh artists to the international stage, and international artists to Wales.

FFOTOGALLERY WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

15 Analysis of net assets between funds

	Tangible Fixed assets £	Other Net assets £	Total 31 Mar 22 £
Restricted Funds	-	68,772	68,772
Unrestricted funds	20,971	12,180	33,151
	<hr/> 20,971	<hr/> 80,952	<hr/> 101,923
	<hr/> <hr/> 20,971	<hr/> <hr/> 80,952	<hr/> <hr/> 101,923

Previous year

	Tangible Fixed assets £	Other Net assets £	Total 31 Mar 21 £
Restricted Funds	-	17,309	17,309
Unrestricted funds	35,476	37,541	73,017
	<hr/> 35,476	<hr/> 54,850	<hr/> 90,326
	<hr/> <hr/> 35,476	<hr/> <hr/> 54,850	<hr/> <hr/> 90,326

16 Company limited by guarantee

The Company is limited by guarantee and as such has no issued share capital. In the event of the company being wound up the liability of the members is limited £1 each.

17 Related party transactions

No related party transactions occurred in the year or the prior year other than stated elsewhere in the financial statements.