

esea contemporary Ltd
Formally known as
Centre for Chinese Contemporary Art Ltd

Report and financial statements
For the year ended 31 March 2023

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esea contemporary Ltd
Trustees' annual report
for the year ended 31 March 2023

Company number 02137427

Charity number 518992

Registered office and operational address

Market Buildings, Thomas Street, Northern Quarter, Manchester, M4 1EU

Trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Nicholas Buckley Wood	Chair (appointed to Board 22 November 2019, appointed as Chair 01 February 2022)
Patrick Alexander	(appointed 17 August 2018)
Philomena Lee Yuen Chen	(appointed on 18 March 2022)
Bonnie Sue Yin Yeung	(appointed on 18 March 2022)
Christopher Lau	(appointed 22 November 2019, acting Treasurer from 31 st March 2021)
Simon Ying Hua Li	Treasurer (appointed on 12 May 2022)
Yung Yuen Ma	(appointed on 12 May 2022)
Wenkai Xu	(appointed 13 July 2022)
Margaret Hobbs	Secretary (resigned 28 May 2022)

No trustees held title to property belonging to the charity during the reporting period or at the date of approval.

Key management personnel

Xiaowen Zhu Director (appointed on 1 June 2022)

Huina Zhang Chief Operating Officer (appointed on 1 August 2022, to 23 August 2023)

Sisi Liu Finance Manager (appointed on 1 October 2022)

Bankers CAF Bank Ltd, 25 Kings Hill Ave, Kings Hill, West Malling, Kent ME19 4JQ

Wise Business, 6th Floor TEA Building, 56 Shoreditch High Street, London, E1 6JJ

Auditors JT Accountants Limited, Flat 1 Sir Matt Busby Way, Old Trafford, Manchester, M16 0QG

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The trustees present their report and the audited financial statements for the year ended 31 March 2023. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 1 form 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 following FRS 102.

Objectives and activities

In 2023, our charity's main goal was to complete the revisioning project initiated after the internal audit in 2022. This project aimed not only to revive our legacy of promoting and enriching Chinese arts and culture within the UK but also to extend our reach with a more inclusive and diverse approach. We sought to provide an excellent platform for a broader community of East and Southeast Asian contemporary visual arts. As a regenerated organisation, we aim to increase the visibility of contemporary art practices from the East and Southeast Asian communities and their diasporas. esea contemporary becomes a site for forward-thinking art programmes that beyond exhibitions also include commissions, research, residencies, publishing, and a wide range of vibrant public events. We value creativity, compassion, interconnectedness, and collectivity in implementing our mission.\

The trustees conduct an annual review of the charity's aims, objectives, and activities. This report focuses on the charity's achievements and the outcomes of its work during the reporting period. The trustees highlight the success of each key activity and the benefits the charity has provided to the target groups it was established to assist. This review also helps ensure that the charity's aims, objectives, and activities remain aligned with its stated purposes.

When evaluating the charity's aims and objectives and planning future activities, the trustees refer to the guidance provided in the Charity Commission's general guidance on public benefit. Specifically, they assess how planned activities will contribute to the established aims and objectives.

Activities

Recruitment:

Between April 2022 and March 2023, our organisation, formerly known as the Centre for Chinese Contemporary Art (esea contemporary), underwent a substantial transformation. This period marked a complete change in leadership, with a new Board comprising 87.5% trustees of East and Southeast Asian heritage, and a fresh team with nearly 90% of staff members sharing this background. This shift represents a significant advancement in Equality, Diversity, and Inclusion (EDI) for the organisation.

Additionally, we recruited an Artistic Advisory Panel to provide advice, expertise, and assistance to the centre's leadership and staff team on its diverse programmes and operations. The Artistic Advisory Panel helps to ensure the organisation's success in forging new ways and networks to contextualise and present contemporary art of ESEA heritage, and in fostering access to critical and groundbreaking visual arts through community and public engagements.

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Community engagement:

In April and May 2022, the gallery transitioned from interim directorship to new leadership. In June 2022, our new Director, Xiaowen Zhu, officially joined, commencing a six-month community engagement effort to redefine the organisation's mission and purpose. This process included focus groups, surveys, and workshops with local and regional stakeholders, artists, and audience members. Additionally, a public programme titled 'EXCHANGES' ran from August to December 2022, aimed at reconnecting with our local audiences and introducing our ambitious artistic vision. This programme, comprising screenings, book launches, talks, and conversations, successfully attracted valuable audiences back to our space. The revisioning process involved over 800 participants from Greater Manchester and beyond, while the 'EXCHANGES' programme engaged with over 1000 local participants.

Rebranding:

As a result of this revisioning, we relaunched at the end of February 2023 as esea contemporary, focusing on presenting artists and art practices influenced by East and Southeast Asian (ESEA) cultural backgrounds. This marked a shift from our previous focus on Chinese contemporary art to a broader community outreach, acknowledging the substantial 20.5% Asian population in Manchester. We collaborated with the design studio Regular Practice to unveil a vibrant and dynamic new design for our branding, encompassing key visuals, website, social media channels, physical space signage, exhibition graphics, and venue design, covering all aspects comprehensively. The outcome bestows a fresh, revitalized identity upon our regenerated organisation and has garnered praise from numerous artists and visitors.

Exhibition:

Our inaugural exhibition, 'Practice Till We Meet,' was a resounding success, drawing thousands of visitors from Greater Manchester and beyond. Curated by Hanlu Zhang, it showcases a diverse roster of artists, including internationally acclaimed figures like Koki Tanaka and emerging talents from Manchester and the UK, such as Audrey Albert and Asia-Art-Activism (AAA). The exhibition delves into diasporic experiences, migration, and the struggles and triumphs of forging a just life in a new environment. Both deeply personal and politically charged, it transcends borders and generations, examining how individual and community perspectives intertwine with global upheavals. The exhibition garnered significant attention from local, national, and international visitors and received extensive coverage in prominent media outlets including Artnet, Art Asia Pacific, ArtReview, South China Morning Post, solidifying Manchester's position on the international arts stage as a city known for innovative, high-quality artistic presentations.

Public programme:

Each month, numerous visitors enjoy our free and accessible public programme with enriched content and engaging formats, such as workshops, screenings, artist talks, and tours (particularly popular among schools and universities). We have introduced new initiatives for various local groups, including the elderly (esea ArtClub), new migrants (Hong Kong BN(O) families), and marginalised communities (LGBTQ+). Notably, our audience outreach has seen steady growth, both physically and digitally, with increasing interest from our diverse communities to engage in collaborative ventures. We've also introduced various creative workshops and networking events, further enriching our visitors' experiences at our centre — a space designed to foster unconventional ideas and encourage diverse communities to coexist and exchange perspectives.

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Skills development:

Improving the skills and employability of Greater Manchester residents lies at the core of esea contemporary's commitment to enhance our communities' presence and contribution to wider society. This is especially vital in light of the challenges posed by the rising cost of living, social isolation, and discrimination experienced by many of our East and Southeast Asian (ESEA) community members. From April 2022 to March 2023, we dedicated over 1500 volunteer hours, primarily to young people across Greater Manchester. Our volunteers undertook diverse responsibilities and activities at the gallery, including invigilation, welcoming visitors, conducting audience surveys, and assisting with community events and exhibition openings. Our staff ensured that all volunteers received proper training and ongoing support, helping them feel comfortable in their new roles—many of which involved exposure to an art gallery and the non-profit sector for the first time. Some of these individuals even went on to secure paid opportunities at other cultural institutions in Manchester, predominantly at museums and galleries. One of our volunteers was hired as our Gallery Assistant. Additionally, we recognised and celebrated our outstanding volunteers by awarding them certificates of excellence and introducing them to our valuable network of museum professionals.

Promoting wellbeing and sustainability:

Many of our East and Southeast Asian (ESEA) community members face ongoing challenges like rising living costs, persistent isolation, and discrimination. It is within this context that our work holds profound significance. We place special emphasis on supporting elder Asian community members, who have endured a legacy of social injustice and discrimination. They find solace and refuge in our nurturing artistic environment, where they can forge connections, cultivate friendships, acquire new skills, and revel in the joy of artistic creation, ultimately building a new community and providing invaluable support for one another. Our initiative, esea ArtClub, stands as a testament to this commitment. Tailored for East and Southeast Asian Mancunians aged over fifty, it offers a dedicated arts programme. Participants are provided with a space to engage in art-making, forge new connections, explore diverse arts and cultural venues across Greater Manchester, and relish in the preparation and sharing of Asian cuisine. From 2022 to 2023, we have consistently organised monthly meetups and workshops for our esteemed esea ArtClub members, who are also wholeheartedly invited to attend our public programmes and exhibition openings, all free of charge. In addition to our community-focused initiatives, our staff actively engage in local networks and training sessions on environmental sustainability. We are committed to exchanging knowledge and resources with local partners to contribute to a more climate-friendly practice and operations, promoting sustainability throughout our programme and practice.

Building partnerships:

Through partnership building, we've not only nurtured artistic development but also heightened the cultural vibrancy of Greater Manchester. Our collaborations with prestigious artists and art professionals have firmly established Greater Manchester as a noteworthy hub of creativity on a national scale. Furthermore, our global partnerships with renowned art institutions have projected the city's artistic prowess onto the international stage. By providing platforms for both established and emerging artists, along with residencies, grants, and community-oriented events, we've not only attracted new talent but also cultivated an environment for their growth, thus contributing significantly to the ongoing cultural renaissance of Greater Manchester and beyond. A testament to our commitment, from 2022 to 2023 we've forged new partnerships with entities like School of Digital Art at Manchester Metropolitan University, The Whitworth Art Gallery, Manchester Museum, Savvy Contemporary, the Korean Cultural Centre UK, and Museum of Asian Art (Turin). We're also in the process of developing new funded opportunities, bolstered by support from various private and public, national and international foundations and trusts.

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Achievements and performance

As a revitalised organisation, our programme is continually evolving and expanding its outreach to a more diverse community. Formerly, our focus was solely on Chinese contemporary art, reflected in our legacy network. However, with a new team representing various regions in East and Southeast Asia, our programming approach has broadened to encompass a wider appreciation of cultural heritage.

This shift in perspective is evident in our inaugural exhibition following the gallery's rebranding from CFCCA to esea contemporary. The exhibition featured artists from Japan, Hong Kong, mainland China, Mauritius, Korea, Singapore, and other locations. It marks an exciting new chapter for our curatorial vision, and we are enthusiastic about embracing this approach across all aspects of our work, including public engagements, community and educational initiatives, partnership building, marketing, and communication.

Each month, we hosted various public events, including art-making workshops, live performances, screenings, and artist talks. These events were open to all, free to attend, and specifically designed to engage local families, young people, the elderly, marginalized minority groups, and individuals from lower-income backgrounds.

Our exhibitions and public programmes have been particularly successful in driving audience engagement and expanding our reach. They have not only attracted new visitors to Manchester but have also positioned the city as a significant player in the realm of Asian contemporary art on both the national and international fronts. This achievement stands as a testament to the unique role that esea contemporary plays within the UK and Europe. Our distinct mission to spotlight and showcase ESEA contemporary art sets us apart, enabling us to offer a one-of-a-kind experience that cannot be replicated elsewhere. This distinctive focus has been instrumental in our success in drawing diverse audiences and elevating Greater Manchester's profile in the global arts community.

Furthermore, our community-oriented workshops and events have received high praise from our specific target audiences, including the often-marginalised Asian elderly, LGBTQ+ individuals, and those from economically disadvantaged backgrounds. These tailored initiatives have not only provided a platform for artistic expression but have also fostered a sense of belonging and empowerment within these communities. They have become a crucial source of enrichment and support, further affirming esea contemporary's impact on the well-being and inclusivity of these groups.

Currently, 87.5% of our team members are of mixed Asian heritage, marking a historic shift in the organization's 37-year history. This new makeup reflects a meaningful commitment to diversity and representation within our team. It's important to acknowledge that while adapting programming to reflect diversity is a more straightforward process, instituting fundamental changes in governance and hiring processes to truly embrace diversity, inclusivity, and equity is a much more challenging endeavour. We take immense pride in this significant achievement, recognizing it as a milestone in our journey towards a more inclusive and representative organization. We aspire to share these transformative stories through our programmes and marketing efforts, aiming to inspire larger societal change for the greater cause.

Financially, we have successfully secured our NPO status for 2023-26, a confirmation that was pending before November 2022. Despite the challenges posed by the closure of the gallery for three years during the Covid pandemic, and the recent completion of a comprehensive revisioning and rebranding project, we are diligently working to boost our commercial income and diversify our revenue streams. We remain

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optimistic about achieving our fundraising goals. As of now, our budget control for 2022/23 has not seen any significant changes.

This period has been transformative for us, and we take pride in the positive impact we've had on our community through these initiatives. We eagerly anticipate furthering our mission of celebrating and promoting ESEA cultural backgrounds through art.

Key Objectives for 2022-23

1. To enhance the governance of the organisation and further develop the capabilities and cohesion of the new Board. This involves solidifying the leadership of the Chair, appointing a new Treasurer, and enlisting individuals with expertise in East and Southeast Asian artistic fields.
2. To fortify the new leadership of the organisation by providing support to the new Director and Chief Operating Officer (COO) in navigating the transitional phase.
3. To ensure Equality, Diversity and Inclusion values are constitutive throughout the operation of the organisation.
4. To develop a high-quality artistic programme marked by a forward-thinking vision and an exploratory ethos.
5. To actively involve a broader East and Southeast Asian (ESEA) community, ensuring that our strategies and progress are continuously monitored and adapted. We aim to raise the profile of esea contemporary through meaningful engagements and careful management of community relations.
6. To secure existing and future funding.

Achievements and performance against objectives:

1. To enhance the governance of the organisation

The governance of esea contemporary has been significantly reinforced with the new Trustees, each bringing a diverse range of skills, experiences, and representation from various sectors. Currently, our Board comprises eight independent members who convene at least four times annually, including an annual 'away day'. These Board members encompass community leaders from the East and Southeast Asian (ESEA) local communities, as well as experts in strategic marketing, business development, commerce, arts, and curation, alongside finance and accounting professionals. esea contemporary is committed to maintaining a well-rounded Board that accurately reflects the communities we are dedicated to serving. Over 75% of our Board members have mixed Asian heritage, providing invaluable insight and understanding of ESEA culture. We boast both local and regional representation in Manchester and the North West, as well as international connections. We are actively seeking to enhance our Board with further crucial experience and expertise, particularly from trustees with a background in the public arts sector, local government, and public engagement. Each Board member serves a maximum of two terms, with a limit of three years per term.

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2. To fortify the new leadership of the organisation

Between June 2022 and March 2023, esea contemporary completed a transformation in senior leadership. This period saw the appointment of a new Director who prioritised strengthening the organisational capacity and engaging in strategic planning. Concurrently, a new Chief Operating Officer (COO) was successfully recruited through an open call, reflecting our commitment to leaders who champion collaboration and inclusivity. This strategic move, which also included the introduction of a new organisational structure and the filling of key roles, lays a robust foundation for the institution. With a skilled Director and COO at the helm, esea contemporary is poised for a relevant, dynamic, and promising future as a leading advocate for East and Southeast Asian art and culture in the UK and Europe. Under the stewardship of the new Director, an Artistic Advisory Panel was formed to provide invaluable advice, expertise, and support to the centre's leadership and staff team across its diverse programmes and operations. This panel plays a crucial role in ensuring the organisation's success in contextualising and presenting contemporary art of ESEA heritage, as well as in facilitating access to pioneering visual arts through community and public engagements.

3. To ensure Equality, Diversity and Inclusion values are constitutive throughout the operation of the organisation

Throughout 2022 and 2023, we have been dedicated to re-establishing esea contemporary's relevance and positive impact on our communities. Our aim is to reaffirm our position as the foremost authority in East and Southeast Asian contemporary art and culture in the UK, providing tangible value to our communities. To achieve this, we have taken proactive steps, including open communication with the broader artist community, local, national and international stakeholders. We have outlined our ambitious and progressive artistic programme, and articulated our commitments:

- esea contemporary will actively engage with our artists, local stakeholders, and communities to ensure our work is more relevant to them, ultimately making a meaningful impact on a larger scale. We are dedicated to strengthening our connections with UK and international East and Southeast Asian diaspora communities through cross-cultural initiatives, fostering cultural dialogue, and appreciating our shared cultural heritage.
- We are determined to provide accessible support and development opportunities for artists, curators, and creatives from East and Southeast Asian backgrounds, as well as those from disabled and lower socio-economic backgrounds. By championing diversity in the cultural sector, we aim to ensure that our industry is reflective of the diverse communities it serves. We are committed to creating avenues
- for these artists and creatives, facilitating their growth and visibility within the cultural landscape in the UK and on an international scale.

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Additionally, the inaugural exhibition 'Practice Till We Meet' serves as an outstanding example of our collaborative and inclusive approach. This exhibition reflects our dedication to fostering a diverse and vibrant artistic community, marking a significant milestone in our pursuit of meaningful impact and positive change. It was achieved through collaboration with guest curator Zhang Hanlu, renowned for her socially engaged practice. The exhibition showcased a diverse selection of both established and emerging artists and collectives from East and Southeast Asian backgrounds, encompassing both national and international contributors. Featuring newly commissioned and existing works, it underlined our commitment to nurturing new artistic productions. Throughout the exhibition duration, we hosted numerous public programmes aimed at fostering interactive and exchange-based communication within our audience community.

4. To develop a high-quality artistic programme

Developing a high-quality artistic programme is at the heart of our mission at esea contemporary. This entails curating a diverse and dynamic selection of exhibitions, events, and initiatives that not only showcase the rich tapestry of East and Southeast Asian (ESEA) art and culture but also engage and resonate with our local and global audiences. Our curatorial approach is guided by a commitment to excellence, seeking out artists and creators whose work pushes boundaries, sparks conversations, and challenges perspectives. We strive to create a programme that reflects the evolving landscape of contemporary art, encompassing a wide range of mediums, styles, and themes. Collaborations with emerging and established artists from the ESEA diaspora, as well as cross-cultural exchanges, are integral to our approach. By fostering an environment that encourages experimentation and innovation, we aim to offer visitors an enriching and thought-provoking artistic experience that leaves a lasting impact. Ultimately, our goal is to not only present outstanding artworks but also to provide a platform for meaningful cultural dialogue and exchange within the diverse communities we serve.

5. To actively involve a broader East and Southeast Asian (ESEA) community

In the reporting year, esea contemporary has identified the need for strategic changes, leading to the development of a relatively new position: Community Development and Engagement Manager. This role is instrumental in planning and overseeing esea contemporary's community engagement programme, contributing to its ongoing evolution, and actively involving Manchester communities in ESEA contemporary arts and culture. The manager is tasked with crafting a range of engagement projects, including the organisation and development of the esea ArtClub. Additionally, they are responsible for shaping activities focused on wellbeing and age-friendly initiatives, family learning events, workshops, and talks, all aligned with the centre's community engagement objectives. This encompasses the coordination and execution of the artist-in-residence programme, as well as the oversight of displays showcasing engagement projects and activities, both within the esea contemporary galleries and in appropriate community settings across Manchester. In 2022, we successfully secured dedicated funding to support the integration of new migrants from Hong Kong (BNO) in Manchester. This role played a pivotal role in orchestrating a series of events tailored to this specific group during the reporting period, with the project set to conclude in summer 2023. The introduction of this position underscores esea contemporary's steadfast dedication to community engagement, aiming to amplify our positive impact on the wellbeing of minority groups in Manchester to a greater extent.

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6. To secure existing and future funding

The organisation proactively developed a strategic plan, which was subsequently endorsed by our primary funding body, Arts Council England (ACE). A rigorous monitoring process was established to track progress in key areas such as policy enhancement, refined practices, robust recruitment, and improved governance. The objective was to mitigate the risk of losing crucial funding, which could potentially jeopardise the institution's financial stability. The senior management, in collaboration with the Board, implemented significant enhancements in governance, policy, and practice, along with formulating a compelling future roadmap. This collective effort was aimed at instilling confidence in major funders, particularly ACE, as well as gaining continued support from entities like Manchester City Council and Greater Manchester Combined Authority. This sustained investment ensures the continued existence of this pivotal platform for contemporary visual representation of East and Southeast Asian contemporary art, benefitting both the community and the broader British society. Through these dedicated initiatives, a solid foundation was laid for increased confidence and financial security.

Financial review

This year marks a pivotal moment for esea contemporary, which has undergone a substantial transformation through re-branding. Following this change, the organisation has reinvigorated its presence by reopening the gallery with its inaugural exhibition 'Practice Till We Meet' since the pandemic. The organisation has been primarily supported by a core grant from ACE and funding from GMCA, which together constitute over 98% of the income for this financial year. The reliance on ACE funding varies from year to year depending on the varying support from initiatives such as co-commissioning and value in kind which in turn varies hugely year on year depending on the activity. Approximately 83% of expenditure is related to our charitable activity and 17% to income generation. In 2022-23 esea contemporary employed 5.6 full-time equivalent members of staff costing a total of £216k.

The financial year came to a close on a challenging note due to an unexpected spike in electricity rates along with other rising costs, leading to a significant deficit. This deficit, however, was mitigated by the surplus accumulated in previous years. Despite this buffer, it remains imperative that we engage in a thorough budget review process. We should examine our expenditures, identify areas for cost reduction, and develop strategies to manage resources more efficiently. Meanwhile, we must ensure that we maintain an adequate level of reserves.

esea contemporary expresses profound appreciation for the continuous public funding secured this year. ACE and GMCA have both provided another multi-year funding of £292,771 and £38,500 per year respectively for period 2023-2026. Nevertheless, esea contemporary recognises that UK investment in culture is struggling to keep pace with inflation. The organisation is focusing on diversifying income streams to overcome this challenge, in line with its fundraising and commercial income strategy.

Risk management

We have a track record of operating within budget and delivering appropriate budget planning factoring in inflation and depreciation. Financial expertise at Board and Sub-committee level has always been a crucial requirement. As an organisation we continue to enable staff to take a collective responsibility in ensuring financial management procedures are maintained.

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We are currently in the process of creating a new Finance and HR sub-committee. Once in place, this sub-committee will review the risk register on a quarterly basis to assess the risks to which the charity is exposed, particularly those relating to the specific areas of investments and finances. Major risks and actions to mitigate them are discussed by the full Board of Trustees. Trustees aim to ensure that esea contemporary has established effective systems to mitigate risks by ensuring that controls exist over key financial systems and by examining the operational and business risks faced by the charity.

Reserves policy

esea contemporary's reserves policy aims to hold an unrestricted reserve equal to approximately three months' running costs. The 'Reserves Policy' which reflects this is reviewed annually so that it is more clear what reserves are available for ongoing expenditure. The value calculated for this reserve at this review was £99,448. This gives stability as the organisation revises and develops ambitious programmes. In light of this policy and revised projections of income and expenditure for the coming two years, the trustees are satisfied that the current general unrestricted fund of £31,469 is sufficient. Total assets at the year-end were £604,923, of which £392,725 is the residual value of the lease on our current building and of which total restricted funds were £45,321.

Various grants and other support are awarded to support specific areas of activity and as such are treated as Restricted income. All balances of grant income awarded in 2022-23 relating to ongoing activity in future years are committed for expenditure in 2022-23.

In addition, esea contemporary holds funds previously designated for Capital Maintenance and for Research and Development. The Capital Maintenance fund was not called on in 2021-22, though we are aware that significant costs for the building's HVAC system may arise soon. The Research and Development fund is to support both exhibition research and developing fundraising and business initiatives. At the end of 2022-23, these designated funds totalled £32,826. The residual value of the lease on our current building, valued at £392,725, is held in a further designated fund.

Key Management Personnel

Within the Management structure the Key Management Personnel are identified as the Director and Chief Operating Officer, who form the 'Executive'.

Plans for the future

Following the successful public launch of its new identity esea contemporary looks forward to an exciting year ahead, where it will produce three major exhibitions that will cement its position as a forward-looking, innovative arts organisation of global standing and reputation. The organisation is dedicated to presenting and commissioning exceptional artistic productions to spur dynamic critical exchanges across cultures and communities while engaging with local and global audiences.

Exhibitions confirmed are:

Dinu Li: A Phantom's Vibe

Jane Jin Kaisen: Halmang

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esea contemporary will continue to demonstrate its commitment to institutional change and supporting innovative practice by embedding principles of creative collaboration, care, critical reflection and community in its curatorial ethos. esea contemporary is committed to delivering a dynamic and ambitious programme that actively engages with transnational East and Southeast Asian artists and researchers in the UK and internationally, local communities and the wider public.

esea contemporary will offer distinct opportunities to inspire and elevate the next generation of arts professionals and facilitate public interactions. In all its activities, it explores and initiates new ways of displaying, communicating, and researching ESEA contemporary art through inventive and collaborative approaches.

The aim of esea contemporary's transformation is to provide a platform for transnational Chinese, East and Southeast Asian artistic experimentation and research; to incubate new talent; encourage diversity, equality and inclusion; innovate an agile, critical and collaborative approach to curatorial practice and research; promote new partnerships, research and knowledge; and actively engage with wider audiences and local communities. Performance measures such as artist, participant and audience feedback, audience reach and satisfaction, and equality audit calls will be in place throughout this process.

In 2023-2024 esea contemporary will build on the success of its learning and participation programmes, continuing popular events such as esea artclub in our studio and furthering our engagement work with a varied and eclectic programme of free-to-access sharing and learning events and creating opportunities in our communal project space.

- **Income assumptions**

We were delighted to be successful in our application to continue as an Arts Council England National Portfolio Organisation from 2023-2026, which will guarantee unrestricted funding of £292,771 per year for the next three years.

GMCA will also continue to support us at the level previously offered.

Our additional Trusts & Foundations target is ambitious but reasonable; there is parallel un-committed project expenditure in the budget which reduces the risk associated with this target.

Commercial and retail targets are well below pre-covid levels as we explore the new normal and the opportunities available.

- **Expenditure**

Programme costs have been allocated broadly in the same categories as in previous years, though it is likely that the actual spending profile within those categories will take shape as the programme develops.

The main change from previous spending patterns is the increased building costs anticipated from service charges as the managing agents pass on costs of insurance and remediation relating to the fire risk assessments on the block. If these are reduced, the additional free budget would be applied to the HVAC project, though as this is an environmental goal it would be a project for which appropriate funding would also be sought.

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No assumptions have been made about the possibility of covering any of this budget from restricted funds, although there is significant project funding already held to support our role as a leader in UK - Asia cultural relationships.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 4 June 1987 and registered as a charity on 24 June 1987.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 31 March 2022 was 11 (2021: 12). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 12 to the accounts.

The existing trustee's review the membership of the Board and all sub-committees to ensure that a range of strengths, interests and experiences are represented. To strengthen key areas as well as to maintain numbers as members retire following our articles of association, recruitment takes place periodically using a combination of advertisement and targeted approaches. Shortlisted applicants are interviewed and references are sought. Appointment to posts on the Board is by election, annually or as required. Induction and training are offered, depending on the individual's experience and the role's requirements. During 2021-22 there were several changes to the Board membership, and we are hoping to consolidate soon under the leadership of the new Chair and recruit fresh expertise and insights to the Board membership.

Sub-committees, consisting of a subset of Board members agreed annually by the Board, meet quarterly to allow detailed discussion of matters relating to HR & Finance and the Artistic Programme. These make recommendations for approval by the full Board which also meets quarterly.

Day-to-day management of esea contemporary was delegated to the Director Xiaowen Zhu upon her appointment in June 2022. Xiaowen is part of the executive team along with the COO.

Volunteer programme

In 2022-2023, esea contemporary recruited 26 volunteers to support the opening exhibition titled "Practise Till We Meet". These volunteers played a crucial role in making the exhibition a success and were greatly appreciated. During the Volunteers' Week in June 2023, seven of these volunteers were recognised for their contribution by Volunteer Centre Manchester. They received an electronic certificate signed by the Lord Mayor of Manchester.

Apart from volunteers, we also accommodate student placements and work experience requests. During the same period, we had 3 placement students from the Institute for Cultural Practices, University of Manchester and 1 from ADM Professional Placement from Birmingham City University.

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They assisted the curator in researching artists and exhibitions, handling archives, and engaging with the audience. They also provided support during events such as the curator's tour, as well as administrative and reception work.

Related parties and relationships with other organisations

Following the appointments of four Artistic Advisory Panel members, esea contemporary has established new partnerships with the advisors' associated organisations, they include the Museum of Asian Art MAO (Turin, Italy), the University of Salford, the Courtauld Institute of Art, Centre for Chinese Visual Art affiliated with the Birmingham City University, and Savvy Contemporary.

esea contemporary will continue working with local and national creative partnerships to contribute to festivals and other creative activities in Manchester such as the Manchester International Festival (MIF), Manchester Museum, Whitworth Art Gallery, Wai Yin Society, and School of Digital Art at Manchester Metropolitan University.

esea contemporary's community and engagement work will be delivered in collaboration with local and national partners to contribute to the creative ecology of Greater Manchester and represent diverse communities and creative talents in Greater Manchester. In recent years the organisation has received support for its engagement work from Big Lottery Fund, Baring Foundation; Manchester City Council; and the North West Regional Strategic Migration Partnership (RSMP). esea contemporary is in conversation with The Lowry and New Earth Theatre to develop an ESEA Talent Development programme in 2023-2024. It is working with the Chinatown action group, led by Manchester City Council and local businesses, to explore ways to regenerate local ESEA-owned businesses and footfall, particularly during busy seasonal periods such as Lunar New Year and the Mid-Autumn Festival. It also plans to collaborate with Queer China and the Proud Trust to create a year-long programme of LGBTQ+-focused initiatives. The organisation is developing projects with the be.sean network and Chinese Film Forum UK to platform collective thinking and to showcase a diverse range of interests and experiences across the ESEA diaspora.

As part of the organisation's commitment to becoming a research hub for contemporary ESEA arts and culture, esea contemporary plans to work with academic partners including Manchester Metropolitan University, HOMELandS (Hub on Migration, Exile, Languages and Spaces) at the University of Westminster, and CREATURE (Creative Arts, Cultures and Engagement) at the London Metropolitan University.

Statement of responsibilities of the trustees

The trustees (who are also directors of CFCCA for the purposes of company law) are responsible for preparing the trustees' annual report and financial statements following applicable law and United Kingdom Accounting Standards (United Kingdom Generally 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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

esea contemporary Ltd
Trustees' annual report (continued)
for the year ended 31 March 2023

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 judgements and estimates that are reasonable and prudent
- State 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

Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The trustees are 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

JT Accountants Limited were appointed as the charitable company's auditors in 2022 and have expressed their willingness to act in that capacity.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' annual report has been approved by the trustees on 30th November 2023 and signed on their behalf by

Signed:



Nick Buckley Wood

Chair

**Independent auditors' report
to the members of the esea contemporary Ltd
for the year ended 31 March 2023**

Opinion

We have audited the financial statements of the Centre for Chinese Contemporary Art Ltd (the 'charitable company') for the year ended 31 March 2023, which comprise the Statement of Financial Activities (including the income and expenditure account), the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Independent auditors' report (continued)
to the members of the esea contemporary Ltd
for the year ended 31 March 2023

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained during the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditors' report (continued)
to the members of the esea contemporary Ltd
for the year ended 31 March 2023

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- enquiry of management and those charged with governance around actual and potential litigation and claims.
- enquiry of the charity's staff, management and those charged with governance to identify any instances of non-compliance with laws and regulations.
- reviewing minutes of meetings of those charged with governance.
reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions 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: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.asp> x.

This description forms part of our auditor's report.

Independent auditors' report (continued)
to the members of the esea contemporary Ltd
for the year ended 31 March 2023

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



John Tikkirou (Senior Statutory Auditor)
for and on behalf of

JT Accountants
Flat 1 Sir Matt Busby Way
Old Trafford
Manchester
M16 0QG

Date: December 2023

esea contemporary Ltd
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	2,481	-	2,481	303
Charitable activities Educating the public in contemporary Chinese arts and culture	4	327,771	-	327,771	398,300
Other trading activities	5	9,479	-	9,479	6,178
Investments	6	1,939	-	1,939	425
Total income		341,670	-	341,670	405,206
Expenditure on:					
Raising funds	7	84,914		84,914	72,797
Charitable activities Educating the public in contemporary Chinese arts and culture	8	403,201	4,568	407,769	284,471
Total expenditure		488,115	4,568	492,683	357,268
Net income/(expenditure) for the year	10	(146,445)	(4,568)	(151,013)	47,938
Transfer between funds		-	-	-	-
Net movement in funds for the year		(146,445)	(4,568)	(151,013)	47,938
Reconciliation of funds					
Total funds brought forward		706,047	49,889	755,936	707,998
Total funds carried forward		<u>559,602</u>	<u>45,321</u>	<u>604,923</u>	<u>755,936</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

esea contemporary Ltd
Company number 2137427

Balance sheet as at 31 March 2023

	Note	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	15		392,725		392,725
Current assets					
Stock		4,709		5,559	
Debtors	16	6,395		20,266	
Cash at bank and in hand	17	220,108		346,593	
Total current assets		231,212		372,418	
Liabilities					
Creditors: amounts falling due in less than one year	18	(22,148)		(9,207)	
Net current assets			209,064		363,211
Total assets less current liabilities			604,923		755,936
The funds of the charity:					
Restricted income funds	19		45,321		49,889
Unrestricted income funds	20		559,603		706,047
Total charity funds			604,923		755,936

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 22 to 35 form part of these accounts.

Approved by the trustees on _____ and signed on their behalf by:

Simon Li (Treasurer)



esea contemporary Ltd
Statement of Cash Flows
for the year ending 31 March 2023

	Note	2023 £	2022 £
Cash provided by/(used in) operating activities		(125,005)	20,215
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		1,939	425
Purchase of tangible fixed assets		(3,419)	
Cash provided by/(used in) investing activities		(1,480)	425
Increase/(decrease) in cash and cash equivalents in the year		(126,485)	20,640
Cash and cash equivalents at the beginning of the year		346,593	325,953
Cash and cash equivalents at the end of the year		220,108	346,593

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), second edition - October 2019 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Accounting Practice.

esea contemporary Ltd meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Preparation of the accounts on a going concern basis

The trustees have considered a number of possible scenarios in depth and consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do 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 amount of assets and liabilities within the next reporting period.

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably. Income from government and other grants, whether capital' grants or 'revenue' grants, is recognised when the charity is 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.

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

d Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item 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), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

esea contemporary Ltd
Notes to the accounts for the year ended 31 March 2023 (continued)

On receipt, donated 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.

e 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.

f Fund accounting

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

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. In particular, these include the Building Fund (representing the value of the building held on the Balance Sheet which would not be available to the charity in the event of winding up due to the lease on the property held by ACE) and the Reserves Policy Fund (which provides for approximately 3 months' running costs and for anticipated fluctuations in funding which might otherwise threaten the stability of ongoing operation).

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g 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 comprise the costs of commercial trading including the shop and room hire, and associated support costs.
- Expenditure on charitable activities includes the costs of exhibitions, education work, curating and residencies undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.c

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

h Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 9.

esea contemporary Ltd
Notes to the accounts for the year ended 31 March 2023 (continued)

i Operating leases

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

j Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

IT equipment	50%
Other equipment	25%

In 2016 the trustees reconsidered the useful economic life of the building which had previously been estimated at 20 years, and agreed that in fact a more realistic life was 50 years. The trustees also reconsidered the estimated residual value of the leasehold property, and have come to the conclusion that it is in excess of the current net book value. Because of this, no depreciation has been charged in the current period.

k Stock

Stock is included at the lower of cost or net realisable value. In general, cost is determined on a first in, first out basis. 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.

l 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.

m 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.

n 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.

o 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.

esea contemporary Ltd
Notes to the accounts for the year ended 31 March 2023 (continued)

p Pensions

The charity introduced automatic enrolment in a pension scheme by the applicable staging date of 1st February 2017. Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 11. There were no outstanding contributions at the year end.

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

3 Income from donations and legacies

Current reporting period	Unrestricted £	Restricted £	Total 2023 £
Donations	2,481		2,481
Previous reporting period	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>Total 2022 £</i>
Donations	303		303

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2023 £
Arts Council of England: Revenue grant	292,771		292,771
Manchester City Council: COVID Business relief grants			
Greater Manchester Council ESF/WEA Volunteer project	35,000		35,000
Education workshop and performance	-		-
Co-commissioning/ sponsorship income	-		-
RSMP HK BN(0) Project	-		-
Exhibition Income		-	-
In-kind Support	-	-	-
Other income			
Total	327,771	-	327,771

esea contemporary Ltd
Notes to the accounts for the year ended 31 March 2023 (continued)

Income from charitable activities 2022	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2022</i> £
<i>Arts Council of England:</i>			
Revenue grant	292,771		292,771
Cultural Recovery Fund Grant			
<i>Manchester City Council:</i>			
COVID Business relief grants	48,141		48,141
Greater Manchester Council	35,000		35,000
<i>British Council:</i>			
Artist in residence project		219	219
ESF/WEA Volunteer project		(315)	(315)
HMRC Furlough Grants	4,464		4,464
Education workshop and performance			
Co-commissioning/ sponsorship income			
RSMP HK BN(O) project		5,000	5,000
Swire Charitable Trust	5,000		5,000
Exhibition Income	8,020		8,020
In-kind Support			
Other income			
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total	393,396	4,904	398,300

5 Income from other trading activities

	2023 £	2022 £
Shop Income	934	740
Room Hire	1,116	5,438
Fundraising	170	
Insurance claims	7,259	
	<hr/> <hr/>	<hr/> <hr/>
	9,479	6,178

All income from other trading activities is unrestricted.

6 Investment income

	2023 £	2022 £
Income from bank deposits	<hr/> <hr/> 1,939	<hr/> <hr/> 425

All of the charity's investment income arises from money held in interest bearing deposit accounts. All investment income is unrestricted.

esea contemporary Ltd
Notes to the accounts for the year ended 31 March 2023 (continued)

7 Cost of raising funds

	2023	2022
	£	£
Direct expenditure	1,942	2,518
Staff costs	67,249	64,175
Premises	6,974	3,968
Adjustment to stock valuation	85	(832)
Support costs (see note 9)	8,663	2,968
	84,914	72,797

All expenditure on cost of raising funds is unrestricted.

The value of stock recognised as an expense is £827 (2022: £909)

8 Analysis of expenditure on charitable activities

	2023	2022
	£	£
Staff costs	129,467	123,547
Exhibition programme	110,602	62,647
Exhibition programme: in kind		
Marketing	29,109	4,145
Depreciation (see note 15)	285	
Premises	86,017	48,942
Governance costs (see note 9)	33,119	38,622
Support costs (see note 9)	19,170	6,568
	407,769	284,471

Restricted expenditure	4,568	25,010
Unrestricted expenditure	403,201	259,461

407,769 284,471

9 Analysis of governance and support costs

	Basis of apportionment	Support	Governance	Total 2023
Staff costs	Time spent		19,337	19,337
Office costs	Time spent	27,833		27,833
Audit and accountancy	Governance		4,131	4,131
Legal and professional	Governance		8,296	8,296
Trustees expenses	Governance		96	96
Board costs	Governance		1,040	1,040
Governance other costs	Governance		219	219
		27,833	33,119	60,952

esea contemporary Ltd
Notes to the accounts for the year ended 31 March 2023 (continued)

Analysis of governance and support costs 2022 *Total 2022*

Staff costs	Time spent	-	18,453	18,453
Office costs	Time spent	9,536		9,536
Audit and accountancy	Governance	-	4,159	4,159
Legal and professional	Governance		12,083	12,083
Trustees expenses	Governance		435	435
Board costs	Governance		2,429	2,429
Governance other costs	Governance		1,063	1,063

	9,536	38,622	48,158
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10 Net income/(expenditure) for the year

This stated after charging/(crediting):

	2023	2022
	£	£
Depreciation	285	-
Auditor's remuneration - audit fees	4,550	3,717
Auditor's remuneration - accountancy fees	-	462

11 Staff costs

Staff costs during the year were as follows:

	2023	2022
	£	
Wages and salaries	195,141	196,874
Social security costs	7,219	7,252
Pension costs	3,172	2,049
German social security costs	10,521	-
	216,053	206,175

Allocated as follows:

Cost of raising funds	67,249	64,175
Charitable activities	129,467	123,547
Governance costs	19,337	18,453
	216,053	206,175

One employee had employee benefits in excess of £60,000 (2022: 1).
(£80,000-£90,000): 0 (2022: 1)

The average number of staff employed during the period was 8 (2022: 9).

The average full time equivalent number of staff employed during the period was 4.6 (2022: 4.6).

The key management personnel of the charity comprise the trustees, the Director, the Operations Manager, and the Finance Manager. The total employee benefits of the key management personnel of the charity were £113,720 (2022: £130,792).

esea contemporary Ltd
Notes to the accounts for the year ended 31 March 2023 (continued)

12 Trustee remuneration and expenses, and related party transactions

Neither the trustee, nor any persons connected with them, received remuneration during the year (2022: Nil).

The trustees were reimbursed out-of-pocket expenses totalling £96 (2022: £507) during the year.

No members of the management committee received travel and subsistence expenses during the year (2022: Nil).

Aggregate donations from related parties were Nil (2022: £Nil).

There are no donations from related parties which are outside the normal course of business. There were no restricted donations from related parties, other than as detailed below.

13 Government grants

The government grants recognised in the accounts were as follows:

	2023	2022
		£
Arts Council	292,771	292,771
Manchester City Council	-	48,141
Greater Manchester Combined Authority	35,000	35,000
British Council	-	219
HMRC Furlough Grants	-	4,464
	<hr/>	
	327,771	380,595

14 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 or Part 11 or the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

A Corporation tax return was submitted in the year ending 31 March 2022 and recovered £8,020 in a claim for Exhibitions Tax Relief which is included in Exhibitions Income for that year.

esea contemporary Ltd
Notes to the accounts for the year ended 31 March 2023 (continued)

15 Fixed assets: tangible assets

Cost	Leasehold Property £	Equipment £	Total £
At 1 April 2022	1,679,138	9,555	1,688,693
Additions		3,419	3,419
Disposals	-		-
At 31 March 2023	1,679,138	12,974	1,692,112
Depreciation			
At 1 April 2022	1,286,413	9,555	1,295,968
Charge for the year		285	
Disposals	-		-
At 31 March 2023	1,286,413	9,840	1,296,253
Net book value			
At 31 March 2023	392,725	3,134	395,859
At 31 March 2022	392,725	-	392,725

16 Debtors	2023 £	2022 £
	-	-
Other debtors & grants receivable	178	698
Trade debtors	6,217	19,568
Prepayments and accrued income	6,395	20,266

17 Cash at bank and in hand

	2023 £	2022 £
Short term deposits	206,564	318,602
Cash at bank and on hand	13,544	27,991
	<u>220,108</u>	<u>346,593</u>

esea contemporary Ltd
Notes to the accounts for the year ended 31 March 2023 (continued)

18 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	2,437	949
Other creditors and accruals	19,935	8,258
Deferred income	316	
	22,148	9,207

19 Analysis of movements in restricted funds

	Balance at 1 April 2022 £	Income	Expenditure £	Transfers £	Balance at 31 March 2023 £
British Council & AAMC Curatorial grants	1,804		-		1,804
British Council HK Welcome project	4,435		(4,435)		-
ESF/WEA Volunteer development programme					
RSMP HK BN(0) Welcome project					
MANCC network: British Council and MCC Global Cities project	43,379		(133)		43,246
Universities of Salford, Manchester & MMU: ARNAM projects	271				271
ACE Cultural Recovery Fund					
Total	49,889	-	(4,568)		45,321

esea contemporary Ltd
Notes to the accounts for the year ended 31 March 2023 (continued)

Analysis of movements in restricted funds - continued

Analysis of movements in restricted funds 2022

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Balance at 31 March 2022 £</i>
British Council & AAMC Curatorial	4,089		(2,285)		1,804
British Council HK Artist in Residence programme	3,445	219	(3,664)		
ESF/WEA Volunteer development programme	3,467	(315)	(3,152)		
RSMP HK BN(O) Welcome project University of Salford: Jack Tan commission		5,000	(565)		4,435
MANCC network: British Council and MCC Global Cities project	43,379				43,379
Universities of Salford, Manchester & MMU: ARNAM projects	271				271
ACE Cultural Recovery Fund	1,395		(1,395)		-
Big Lottery Fund plus MCC Neighbourhood Innovation fund: Dumpling Socials	13,949		(13,949)		-
In-Kind support					
Total	69,995	4,904	(25,010)		49,889

esea contemporary Ltd
Notes to the accounts for the year ended 31 March 2023 (continued)

Analysis of movements in restricted funds - continued

Name of restricted fund	Description, nature and purposes of the fund
ACE Cultural Recovery Fund	Grant to assist with revisions to programme and operations to navigate recovery post-COVID
Big Lottery Fund & MCC Project Neighbourhood Innovation fund	Support for Manchester Community 'Dumping Social'
British Council HK Artist in Residence	Grant to fund a HK artist in residence in the CFCCA Residency
Curatorial Grants from British Council and AAMC	Grants to fund curatorial research trips to the USA, China and Singapore.
ESF / WEA Volunteer Programme	Grant to support a programme designed to engage and train economically inactive volunteers.
HLF COVID Emergency Fund COVID	Grant to support costs of adjustments to operating during COVID
MANCC Network: A collaboration involving the British Council and MCC with some funding given via MAST C-Change pilot scheme	Support for Global Cities project
Universities of Salford, Manchester & MMU	Grant to support youth project
University of Salford: Research Curator	Support for ARNAM projects
University of Salford: Research Curator	Support for 0.4 fte Research Curator. On the termination of this post, UoS agreed to the transfer of £4,500 of the balance on this fund to support the Cheng Ran exhibition, and the remaining balance to contribute to the costs of hosting University students for an event at CFCCA.
University of Salford: Jack Tan	To support the commission of a work by Cheng Ran

20 Analysis of movement in unrestricted funds

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	As at 31 March 2023 £
General fund	181,048	341,670	(488,114)	-	34,604
Designated funds:					
Capital Maintenance Fund	8,636				8,636
Research and Development Fund	24,190				24,190
Reserves policy Fund	99,448				99,448
Building Fund	392,725				392,725
	706,047	341,670	(488,114)		559,603

esea contemporary Ltd
Notes to the accounts for the year ended 31 March 2023 (continued)

Analysis of movement in unrestricted funds 2022

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
General fund	105,927	400,302	(331,258)	6,077	181,048
Designated funds:					
Capital Maintenance Fund	8,636				8,636
Research and Development Fund	25,190	-	(1,000)		24,190
Reserves policy Fund	105,525			(6,077)	99,448
Building fund	392,725				392,725
	<u>638,003</u>	<u>400,302</u>	<u>(332,258)</u>		<u>706,047</u>

Name of unrestricted fund Description, nature and purposes of the fund

General fund	The free reserves after allowing for all designated funds.
Capital Maintenance Fund	To deal with building maintenance and equipment needed in future years.
Research and Development Fund	To enable staff to research new exhibitions, to develop new potential sources of income and to support new business initiatives.
Reserves Policy Fund	To enable the organisation to provide for anticipated funding fluctuations and to meet its obligations in the event of winding up.
Building fund	The building fund represents the net book value of the building which is an asset of the charity but is not available for spending on charitable activities.

21 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	2023 Total £
Tangible fixed assets	3,134	392,725		395,859
Net current assets/(liabilities)	31,469	132,274	45,321	209,064
Total	<u>34,603</u>	<u>524,999</u>	<u>45,321</u>	<u>604,923</u>
Previous reporting period	<i>General fund</i>	<i>Designated funds</i>	<i>Restricted funds</i>	<i>2022 Total</i>
Tangible fixed assets	-	392,725	-	392,725
Net current assets/(liabilities)	181,048	132,274	49,889	363,211
Total	<u>105,927</u>	<u>532,076</u>	<u>69,995</u>	<u>755,936</u>

esea contemporary Ltd
Notes to the accounts for the year ended 31 March 2023 (continued)

22 Contingent liability

In 2002 and 2003 the Arts Council England (ACE) granted £1,679,138 to the charity to enable it to acquire the long leasehold of its premises at Unit 2, Market Buildings, Thomas Street, Manchester. and to carry out a full refurbishment.

This grant is repayable in whole or in part if the charity changes its purpose or if the charity ceases to operate or becomes insolvent. To secure its position, ACE has a charge on the property which it has agreed to lift in 2023.

It is considered unlikely that the charity would change its purpose, cease to operate, or become insolvent, and hence unlikely that the grant will need to be repaid. This liability has therefore not been included in creditors.

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

	2023	2022
	£	£
Net income/(expenditure) for the year	(151,013)	47,938
Adjustments for:		
Depreciation charge	285	
Dividends, interest and rents from investments	(1,939)	(425)
Decrease/(increase) in stock	850	1,052
Decrease/(increase) in debtors	13,871	25,590
Increase/(decrease) in creditors	12,941	(53,940)
Net cash provided by/(used in) operating activities	(125,005)	20,215