

LONDON PRINT STUDIO

A Company Limited by Guarantee
and not having a Share Capital

(Company no. 2519846)

(Charity no. 1006900)

DIRECTORS' REPORT AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2021

CONTENTS	page
Directors' Report	(1) – (9)
Independent Examiner's Report	(10)
Statement of Financial Activities	(11)
Balance Sheet	(12)
Statement of Cash Flows	(13)
Notes to the Financial Statements	(14) – (20)

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519846)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Directors present their Report and Financial Statements for the year ended 31 March 2021.

Reference and Administrative Details

Company Registration Number

2519846

Charity Registration Number

1006900

Registered Office and Operational Address

13 Fairbairn Road, Sheffield S6 5PP

Board of Directors

The Directors of the Company, referred to hereinafter as londonprintstudio or the Charity, are also its Trustees for the purposes of charity law, and are referred to in this Report as the Directors.

The Directors who held office during the period or up to the date of this Report were:

Elizabeth O'Sullivan	Chair to 5 May 2021	
David Ferry	Chair from 5 May 2021	
Adam Bainbridge	Treasurer	
Holly Tebbutt		Sharon Robinson
Stephen Beddoe		Lee Gage
Barrie Birch		Eileen Perrier
Najlaa Elageli		

Management Staff Team

John Phillips	Staff Director (non-voting)
Nadia Yahiaoui	Operations Manager

Independent Examiner

Stephen Jones FCA

Myrus Smith Chartered Accountants, Norman House, 8 Burnell Road, Sutton, Surrey SM1 4BW.

Bankers

Unity Trust Bank, Nine Brindleyplace, Birmingham B1 2HB.

Royal Bank of Scotland, 2 Elgin Avenue, London W9 3QR.

CCLA, Senator House, 85 Queen Street, London EC4V 4ET

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519846)

Achievements and Performance

Programme

Due to Covid 19 restrictions, londonprintstudio's printmaking facilities, gallery and shop, were temporarily closed to the public on 18 March 2020, and all programme activities requiring physical interaction between staff and the public was suspended pending new government directives. Consequently, on the 1 April 2020 the facility was closed due to lockdown and remained closed for much of the year. The facility reopened temporarily in the Autumn, offering a limited set of socially distanced services. In October 2020 the facility was closed permanently. The decision to close the facility was a deeply regrettable acknowledgement by the board that the social and economic impact of the COVID 19 pandemic would inhibit the organization's capacity to trade effectively and that additional government support provided through the furlough and other schemes, coupled with the organization's reserves would not be sufficient to sustain the organization to a point of viable recovery.

The organization continued to be supported by Arts Council England (ACE) as a National Portfolio Organization (NPO). However, for the period 2018/22 ACE's funding had been reduced by 42% compared to the level of support during 2014/18 (down from £192,000 to £110,000 PA). To assist the organization's transition to a lower level of support, ACE provided a one-off grant of £60,000 during 2018/20 and agreed a tapered funding profile that was weighted in favour of years 2018/20.

ACE support for 2020/21 was projected at £80,000. Even after considerably limiting expenditure and reducing its activities londonprintstudio's business plan for 2020/21 projected the need to achieve £270,070 in self-generated income from programme activities, compared to £104,138 in the previous year, during which ACE support totalled £168,610. Even in the most favourable of trading circumstances, this would have been a considerable challenge. In the context of the unprecedented social and economic disruption of the Covid 19 pandemic, and the uncertainty of the pandemic's duration, it proved to be a challenge that the organization was unable to meet.

Following the temporary closure in March 2020 the organization remained closed, and achieved no self-generated income until temporarily reopening for a six week period in August and September 2020.

During this six month phase of the pandemic April to September 2020, the majority of staff were placed on the government furlough scheme. Key executive staff remained in employment in order to explore and prepare survival plans for the organization.

The local authority, Westminster City Council (WCC) deemed londonprintstudio not eligible for the discretionary Business Support Grant scheme, due to the ratable value of its premises exceeding £51,000 PA.

Senior staff reached out to UK and international higher education institutions with the goal of establishing one or more partnerships that would have facilitated the long-term viability of the printmaking facility. This initiative gained significant interest within the University of the West of England and Foyle Foundation. However, eventually these initiatives were not successful because of pressures on the partners and complexities in delivery during the prolonged pandemic.

In response a relaxation of lockdown, and with additional support from Arts Councils' emergency funding scheme in the form of a one-off grant of £12,000, the printmaking facility reopened during September and October 2020. However, activities were significantly reduced in order to establish appropriate levels of social distancing. It was not possible to provide group training sessions, which traditionally had been one of the highest income generating activities for the organization. Consequently, income from this activity was low and running costs relatively high.

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519846)

On 28 September the board decided that the services provided by the organization through its printmaking facility and gallery could not be sustained in the long-term and agreed to permanently close the facility at 425 Harrow Road London W10 4RE from 1 October 2021 and withdraw from ACE's NPO programme.

The decision to close the facility, and withdraw from NPO status, was not taken lightly. It resulted from the culmination of a series of events over the first half of the year. During this time, our facility, along with so many other businesses of all types, has been either closed, or seriously interrupted in its operations by the Covid 19 pandemic. The organization was initially able to sustain by making use of the government's job retention scheme, continued receipt of NPO funding and additional support from the Arts Council's emergency funding scheme. Unity Trust Bank also assisted by providing an interest only repayment facility for the mortgage on our premises.

However, temporary closure and disruption of the services resulted in significant loss of earnings and the erosion of financial reserves to the point where the trustees believed that the organization could no longer be sustained.

The Arts Council, other stake holders, facility members and the general public were informed about this decision at the time, and considerable regret, consolation and support was expressed by individual artists and the communities whom the organization had supported for over four decades.

Following this decision to close, all staff, with the exception of the Director, were made redundant.

During October the organization sought to sustain the printmaking facility for the London visual arts sector by selling the premises to a commercial fine art printmaking company. However, this initiative was unsuccessful.

- In November, the trustees agreed to place the premises at 425 Harrow Road, which houses the printmaking facility and gallery for sale, on the open market. The bulk of the printmaking equipment was sold. The entire screenprinting facility was sold to the Sidney Nolan Trust, which plans to create a significant artist printmaking facility at its base at the Rodd in Presteigne.
- The premises were sold to a private sector buyer on 31 March 2021 and the mortgage fully repaid.

The organization's administrative and programme archives were placed in long-term storage. Some digital print equipment was retained with the view to its use in future in projects.

The limited company and charity London Print Studio will be retained as an educational charity, and proceeds raised from the sale of assets will be utilized to continue the charitable aims of the organization in a smaller and more flexible form in the future.

Marketing and Communication

We promote our programme and services widely, targeting diverse audiences through appropriate channels including: large window displays, e-newsletters, videos and promotion of our work and ideas to websites and social media platforms.

Alongside our dedicated, mobile compatible website: londonprintstudio.org.uk, we employed Instagram, Twitter and Facebook as key e-marketing channels.

Our quality-of-service surveys demonstrate consistency in providing excellent services to all accessing our services. Our technical staff are highly valued by service users, who appreciate their proficiency, high level of organisation, and advice. We have continually reviewed and replaced studio equipment and systems in order to maintain and improve the resource.

Throughout this period of uncertainty, temporary and permanent closure of our printmaking facilities and gallery we utilized these means to communicate with our members, audiences and stakeholders.

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519846)

Environment

londonprintstudio applied the principles of continuous improvement in respect of air, water and light pollution from our premises and sought to reduce any impacts from our operations on the environment and our local community.

londonprintstudio ensured that all its staff members were fully aware of our environmental goals and actively worked to reduce its carbon foot print. We actively communicated our environmental policy to studio members, ensuring that they are fully aware of our environmental targets when visiting our premises.

Financial Review

The detailed results are shown in the Statement of Financial Activities on page 11 and the financial position at 31 March 2021 is shown in the Balance Sheet on page 12.

londonprintstudio operated satisfactorily during most of the year, despite reduced resources due to significantly reduced grant support and loss of income as a result of the Covid-19 national lockdown.

Structure, Governance and Management

Historical Background

The origins of londonprintstudio goes back more than 40 years to 1974 when John Phillips and Pippa Smith established the Paddington Printshop. This was a visual art project to assist community organisations to promote their ideas through graphic media.

Supported by the Arts Council from 1975 onwards, Paddington Printshop became a centre for community development in North Westminster, and a model for similar resources throughout the UK.

As the need for larger premises grew with increased activity and continuing development, it was time to move on from the originally local Paddington Printshop to the regional London Print Studio.

Governing Document

londonprintstudio was incorporated on 9 July 1990 and registered as a Company Limited by Guarantee without a Share Capital. The Company was also registered as a Charity on 16 December 1991. It is governed by its Memorandum and Articles of Association, under which each Member is required to contribute an amount not exceeding £1 towards the liabilities of the Charity in the event of it being wound up whilst they are Members, or within one year of their ceasing to be Members. At present, the Directors are the only Members of the Charity.

Recruitment and Appointment of Directors

Under rules in the Articles of Association one-third of the Directors, being those longest in office, are required to retire from office at each AGM but may be re-elected if they continue to be willing and eligible to serve.

The Board of Directors is recruited and operates within a set of guidelines, which identifies the appropriate skill requirements of Directors and the aims of the Board as follows:

- a) to ensure that the Charity is governed effectively and responsibly;
- b) to demonstrate accountability to external bodies including funders; and
- c) to maintain the skills and knowledge it needs to achieve its mission.

A person specification for Directors sets out the skills and abilities which all prospective Directors must be able to demonstrate. Directors are recruited through professional networks and are interviewed by officers prior to being proposed for Board membership.

In recruiting Directors londonprintstudio works within a framework of its Equal Opportunities Policy and Cultural Diversity Plan. londonprintstudio is committed to increasing participation at all levels of the organisation by people from Black, Asian and minority ethnic backgrounds.

Induction and Training of Directors

Directors are provided with an induction pack which comprises all key documents relating to the governance of the organisation. They are also provided with a personal introduction to the organisation by key staff.

Due to the high skills level of Directors appointed to date, there has been no need to provide any training of a general nature. However, briefing sessions and presentations are made to the Board on specific topics as they arise, such as legislative or regulatory changes affecting the Charity.

Organisational Structure

The Board of Directors aims to meet quarterly and has overall responsibility for the strategic direction and policy of the Charity. The Board delegates certain tasks on an ad hoc basis to sub-committees under its control. This has included building development, exhibition programme, and development of marketing strategy.

The Board also delegates day-to-day responsibility for the provision of services to the Staff Director along with the Operations Manager. The Staff Director is responsible for the artistic development of londonprintstudio and for ensuring it delivers the services specified and that key performance targets are met. The Operations Manager is responsible for the day-to-day operational management of facilities and staff. These two employees make up the Management Staff Team as noted on page 1.

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519846)

The Directors and Management Staff Team constitute the Key Management Personnel of the Charity, as defined by applicable accounting standards. As such, financial transactions with these personnel are disclosed in Note 7 to the Financial Statements.

Following the permanent closure of the printmaking facility and gallery the Operation's Manager role was abolished and the sole staff member retained by the organization was the Staff Director. The Staff Director became responsible for reshaping the organization and its programme in order for it to continue to deliver its educational objectives through more flexible non-building based means.

londonprintstudio operates within a three-year Business Plan, which is updated and agreed by the Board prior to the start of each financial year. All planning and all policies are drafted by staff and presented to the Board for amendment and approval. There is an effective system of planning, monitoring and control, which facilitates staff and Board involvement and contribution to identifying and achieving realistic targets and organisational goals.

Due to the exceptional circumstances including the uncertainties arising from the pandemic the organization's plan was significantly disrupted. Business and programme planning was conducted throughout the year by an adhoc committee, which met regularly and comprised senior staff and members of a delegated group of five trustees (The Development Group), which included the chair and treasurer.

Related Parties

The Charity is the controlling shareholder of London Print Studio Sales Limited, a Company limited by Shares (No. 2724157). Its 100 ordinary £1 shares in this subsidiary are shown in the Balance Sheet on page 19. With effect from 1 April 2004 London Print Studio Sales Limited became non-trading and its operations were transferred to the Charity. The Financial Statements have therefore not been consolidated for the results of the Charity and its non-trading subsidiary.

Risk Review

Financial risk has been reviewed and financial strategy revised to meet changing circumstances. Financial risk increased significantly during the year, resulting in the closure of the printmaking facility, redundancies of a large proportion of staff year, and sale of the premises at 425 Harrow Road. Sufficient funds designated to meet liabilities arising from all staff redundancies, and other expenses resulting from these changes.

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519846)

Objectives and Activities

The closure of the printmaking facility and gallery will impact significantly on the operation and programme of the charity. However, as the organization begins to adapt to new circumstances it will retain its ongoing commitment to its objective, mission and values

The objects of londonprintstudio, as set out in its Memorandum of Association, are:

to advance education for the public benefit through the promotion of the arts with particular but not exclusive reference to the visual arts of printmaking and graphic design.

Mission

londonprintstudio inspires and empowers people through engagement with visual and graphic arts.

- Our bespoke CDP programmes, and high-level skills provide **opportunities for artists to excel**, and realise ideas beyond their expectations.
- We **promote social cohesion and celebrate diversity** by:
 - responding imaginatively to issues that engage local and global communities,
 - offering opportunities to explore multiple perspectives and reflect on contemporary artworks from around the world,
 - facilitating interaction between diverse groups including: amateurs and professionals, different generations, and people from distinct cultural backgrounds.
- We foster curiosity, ambition and the desire for knowledge and **raise levels of aspiration**, particularly among young people, through participatory learning programmes.

Values

We value excellence and professionalism, inspiring all who use us to excel and unlock their curiosity, discovery and innovation through our activities.

We facilitate opportunities, and foster enterprise, for londonprintstudio and our clients.

We make the collective knowledge, understanding and ideas of staff, directors and clients available to address opportunities and realise extraordinary and imaginative possibilities through artworks and events.

We encourage and promote diverse perspectives and forms of artistic expression, and offer an open, accessible, safe and trusting environment, where partnerships are based on mutual respect

Resources

The organization has retained a small digital printmaking resource for future project use. As a smaller non-building based organisation it will seek to achieve its mission through online activities and via partnerships with other organisations and communities.

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519846)

Resource Goals

To actively engage with and contribute to key ideas and debates relevant to the visual and graphic arts and contemporary art practice.

To do things which have never been done before.

To develop and sustain an environment and social where all of the above are achievable.

Core Business Functions

londonprintstudio has a 40 plus year history in pioneering new ideas with artists and new ways of reaching communities to promote socially engaged practice. We provide CDP opportunities to creative professionals, nurture emerging artists and assist established artists to push creative boundaries. During the past decade we have focused on innovative arts projects working with and for young people.

Peers respect us equally for our expertise as fine-art printmakers and for our role in integrating and sharing through extraordinary arts programmes in tough community environments.

The charity is entering into a new phase both organizationally and operationally. It is transitioning from a building based arts centre to a flexible organization with the capacity to develop and deliver educational projects in diverse environments.

Public Benefit

In planning to meet the objectives we are satisfied that the activities fulfil the public benefit requirement referred to in the Charity Commission's general guidance on this matter.

In particular, where direct charges are made to individuals these are kept low to ensure that price is no barrier to participation by the overwhelming majority of the public. Additionally, a number of group activities such as those with schools are carried out at non-commercial rates to extend the reach of our activities far and wide. Wherever possible, additional funds are sought to support such activities.

Furthermore, the educational objective underpinning all activities is to engage with as broad a cross-section of the public as possible to maximise the benefit from shared knowledge of the arts. This can vary from selling limited edition prints at competitive prices so a wide range of original artwork is made available to more people to developing and delivering educational projects with people who do not normally engage with the arts.

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519846)

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing those financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 (FRS102)
- make judgements and 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
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

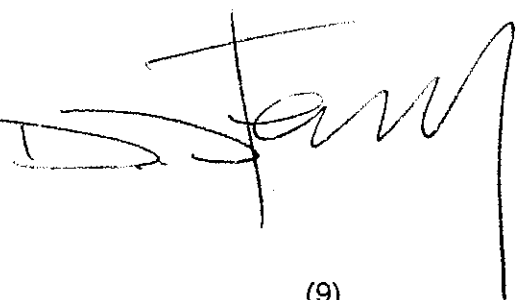
Audit exemption

The Directors have decided to take advantage of the audit exemption provisions of the Companies Act 2006. However, under the provisions of section 145 of the Charities Act 2011, Stephen Jones, Chartered Accountant, has been appointed as Independent Examiner. His report is shown on page 10.

This Report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities Issued by the Charity Commission in October 2019, and in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small entities.

Approved by the Directors on the following date and signed on their behalf:

David Ferry (Director)



Date: 22 September 2021

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519846)

Independent Examiner's Report to the Trustees of London Print Studio ("the Company")

I report to the Charity Trustees on my examination of the accounts of the Company for the year ended 31 March 2021 which are set out on pages 11 to 20.

Responsibilities and basis of report

As the Charity 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 Company'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 member of 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 that in any material respect:

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).

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.


Stephen Jones FCA
c/o Myrus Smith
Chartered Accountants
Norman House, 8 Burnell Road,
Sutton, Surrey. SM1 4BW

Date: 22 September 2021

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519848)

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Note	Unrestricted Funds General Reserve £	Designated £	Restricted Funds £	TOTAL FUNDS 2021 £	TOTAL FUNDS 2020 £
Income from:						
Donations		1,859	-	-	1,859	506
Charitable Activities:						
Operation of Studios and Gallery	2.	104,201	-	-	104,201	272,893
Other Trading Activities:						
Shop Sales	3.	1,757	-	-	1,757	9,565
Investments		127	-	-	127	592
Other Income: Disposal of Head Lease		590,755	-	-	590,755	-
Other Income: CJRS grant		57,480	-	-	57,480	-
Total Income		<u>756,179</u>	<u>-</u>	<u>-</u>	<u>756,179</u>	<u>283,556</u>
Expenditure on:						
Raising Funds:						
Shop Sales	3.	2,121	-	-	2,121	7,962
Charitable Activities:						
Operation of Studios and Gallery	4.	<u>226,374</u>	<u>-</u>	<u>989</u>	<u>227,363</u>	<u>284,487</u>
Total Expenditure		<u>228,495</u>	<u>-</u>	<u>989</u>	<u>229,484</u>	<u>292,449</u>
Net Income / (Net Expenditure)						
Before Transfers	5.	527,684	-	(989)	526,695	(8,893)
Transfers Between Funds	16.	<u>54,444</u>	<u>(54,444)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income / (Net Expenditure)						
After Transfers		582,128	(54,444)	(989)	526,695	(8,893)
Total Funds at Start of Year		<u>66,472</u>	<u>54,444</u>	<u>2,189</u>	<u>123,105</u>	<u>131,998</u>
Total Funds at End of Year	15.	<u>648,600</u>	<u>-</u>	<u>1,200</u>	<u>649,800</u>	<u>123,105</u>

The Charity's income and expenditure all relate to continuing activities.

Movements in reserves and all recognised gains and losses are shown above.

The notes on pages 14 to 20 form part of the financial statements.

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2619646)

BALANCE SHEET AS AT 31 MARCH 2021

	Note	2021 £	2020 £
<u>Fixed Assets</u>			
Tangible Assets	8.	356	413,861
Investments	9.	100	100
		<u>456</u>	<u>413,961</u>
<u>Current Assets</u>			
Stocks	10.	-	11,270
Debtors and Payments in Advance	11.	1,207,200	1,078
Cash and Bank Balances		93,118	128,463
		<u>1,300,318</u>	<u>140,811</u>
<u>Liabilities</u>			
Creditors (amounts falling due within 1 year)	12.	(850,974)	(32,456)
Net Current Assets		<u>649,344</u>	<u>108,355</u>
Total Assets less Current Liabilities		<u>649,800</u>	<u>522,316</u>
Creditors (amounts falling due after 1 year)	13.	-	(399,211)
Total Net Assets	14.	<u>649,800</u>	<u>123,105</u>
<u>The Funds of the Charity</u>			
Unrestricted Funds: Designated Funds		-	54,444
General Reserve		648,600	66,472
		<u>648,600</u>	<u>120,916</u>
Restricted Funds		1,200	2,189
Total Charity Funds	15.	<u>649,800</u>	<u>123,105</u>

The Directors are satisfied that the Charity is entitled to exemption from the provisions of the Companies Act 2006 relating to the audit of the accounts for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Companies Act 2006. However, in accordance with section 145 of the Charities Act 2011 the accounts have been examined by an independent examiner whose report appears on page 11.

The Directors acknowledge their responsibilities for:

- (i) ensuring that the Charity keeps proper accounting records which comply with section 386 of the Companies Act 2006, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the Charity as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of section 396, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as is applicable to the Charity.

These Financial Statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Directors on the following date and signed on their behalf by:

David Ferry (Director)

Date: 22 September 2021

The notes on pages 14 to 20 form part of the financial statements.

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519848)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
<i>Net cash (used in) operating activities</i>	<u>(26,068)</u>	<u>(25,229)</u>
Cash flows from investing activities		
Interest from investments	127	592
Purchase of property, plant and equipment	-	-
Proceeds from sale of tangible fixed assets	403,595	-
<i>Net cash provided by investing activities</i>	<u>403,722</u>	<u>592</u>
Cash flows from financing activities		
Repayment of borrowing	(412,999)	(13,206)
<i>Net cash (used in) operating activities</i>	<u>(412,999)</u>	<u>(13,206)</u>
Change in cash and cash equivalents in the year	(35,345)	(37,843)
Cash and cash equivalents at the beginning of the year	128,463	166,306
Cash and cash equivalents at the end of the year	<u>93,118</u>	<u>128,463</u>
Reconciliation of net (expenditure) / income to net cash flow from operating activities	2021 £	2020 £
<i>Net (expenditure) for the year (as per the Statement of Financial Activities)</i>	526,695	(8,893)
Adjustments for:		
Depreciation charges	9,910	16,164
Interest from investments	(127)	(592)
(Increase)/decrease in stocks	11,270	834
(Increase)/decrease in debtors	(1,206,122)	688
Increase/(decrease) in creditors	632,306	(33,430)
<i>Net cash (used in) / provided by operating activities</i>	<u>(26,068)</u>	<u>(25,229)</u>

The notes on pages 14 to 20 form part of the financial statements.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting Policies

(a) Format of the Financial Statements

The Charity constitutes a public benefit entity as defined by FRS102.

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 issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the Charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all years presented unless otherwise stated.

(b) Going Concern Basis

Although the Charity has ceased to operate and has sold its head lease the Trustees plan to continue operating in a different format. The Charity therefore remains a going concern.

Hence the Directors consider that there are no material uncertainties about the Charity's ability to continue as a going concern and therefore meet all of its obligations as they fall due.

(c) Fund Accounting

Unrestricted Funds are donations and other income receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Designated Funds are unrestricted funds earmarked by the Directors for particular purposes.

Restricted Funds are to be used for specified purposes as laid down by donors. Relevant expenditure is set against these funds. In particular, depreciation of tangible fixed assets purchased with specific capital grants and donations is set against a restricted fund for this purpose.

(d) Income

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

Income from government and other grants, whether for capital or revenue purposes, is recognised in accordance with the above policy except where amounts have appropriately been deferred in accordance with specified or implied timescales.

Donations are recognised in full when receivable and there is unconditional entitlement.

Donated goods are not recognised in the Financial Statements until sold, due to their relatively low value.

Income from shop sales and other goods is recognised when earned.

Income from charitable activities is recognised when the related goods and services have been provided.

Investment income is recognised when receivable.

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2510846)

(e) Expenditure and irrecoverable VAT

Expenditure is recognised when 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 reliably measured.

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

Expenditure is allocated between the categories in the Statement of Financial Activities on the basis of how the resources are used. Expenditure relating to a particular activity is allocated directly to that activity. Other expenditure is included under support costs, then apportioned to activities on an appropriate basis.

Costs of raising funds is the expenditure incurred on shop sales.

Charitable activities comprise expenditure incurred on providing studio and gallery goods and services, and includes the direct costs and support costs relating to these activities.

Governance costs are the costs incurred on overall governance of the Charity. As such, they are mainly associated with meeting constitutional and statutory requirements, such as independent examiner fees and costs incurred on strategic management.

(f) Pensions

The Charity operates a defined contribution pension scheme for its employees under the auto-enrolment regulations.

(g) Stocks

Stocks are stated at the lower of cost and net realisable value as follows.

Raw materials are stated at purchase cost on a weighted average basis.

Stock of prints and other goods are stated at nil as the net realisable value is deemed minimal.

Stock of donated goods for resale are stated at nil as it is not practical to reliably estimate their value.

(h) Tangible Fixed Assets

Purchase of equipment and other tangible fixed assets are capitalised where the cost is £1,000 or more.

Depreciation is provided to write off the cost of the assets in equal instalments over their estimated useful lives as follows:

Building - Head Lease	50 years
Building - Fit Out	18 years
Printing Presses	20 years
All other Fixed Assets	4 years

(i) Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest method.

2. Income from Operation of Studios and Gallery **(all Unrestricted)**

	2021	2020
	£	£
Workshop Usage	4,113	49,950
Courses and Training	(4,705)	33,932
Dedicated Support and Other Fees	6,458	13,301
Project Fees	-	1,342
Fees charged for activities	5,866	98,525
Sale of prints and frames	623	5,758
Sale of equipment	502	-
Grant aid from Arts Council England (ACE)	97,210	168,610
	<u>104,201</u>	<u>272,893</u>

The amounts are derived from the provision of goods and services falling within the Charity's ordinary activities and its primary charitable purposes.

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519846)

3. Shop Sales (all Unrestricted)	2021 £	2020 £
Turnover	1,757	9,565
Cost of Sales	(193)	(5,729)
Gross Profit	1,564	3,836
Administrative Expenses	(1,928)	(2,233)
Net Profit	(364)	1,603

Turnover derives from the sale of books, cards and related goods and services. This is from purchases made by the Charity, goods held on consignment from others, and donated goods for sale to raise funds.

Cost of Sales are for purchase of goods for resale or fees paid for goods sold on consignment.

Administrative Expenses include Staff, Premises and Support Costs.

4. Expenditure on Charitable Activities

	Studio Activities £	Project Work £	Print Sales £	Governance £	TOTAL 2021 £	TOTAL 2020 £
Direct Costs:						
Staff Costs (a)	115,635	2,267	2,936	2,811	123,649	139,542
Recruitment & CRB Checks	-	-	-	-	-	397
Staff Training & Development	311	-	-	-	311	1,875
Volunteers' Expenses	206	-	-	-	206	1,523
Materials Used	4,610	-	-	-	4,610	16,181
Gallery Costs	-	-	-	-	-	285
Refreshments	191	-	-	-	191	799
Print Sale Costs	-	-	2,398	-	2,398	2,469
Project Direct Costs	-	-	1,968	-	1,968	494
Publicity & Promotion	479	-	-	-	479	2,121
Transport & Travel	91	-	-	-	91	465
Premises Costs (b)	15,427	29	73	44	15,573	15,633
Mortgage Interest	16,205	33	82	49	16,369	16,675
Repairs & Renewals	995	-	-	-	995	1,310
Depreciation	9,910	-	-	-	9,910	16,164
Bad Debts	-	-	-	-	-	25
Independent Examiner Fees	-	-	-	1,740	1,740	1,710
Support Costs:						
Staff Costs (a)	21,228	-	179	-	21,407	35,231
General Office Costs (a)	18,958	273	376	327	19,934	19,616
Professional & Legal Fees (c)	5,441	76	114	1,902	7,533	11,972
	209,686	2,678	8,126	6,873	227,363	284,487

Costs have been allocated direct to their related activities with the exception of the following:

- (a) allocated on the basis of staff time
- (b) allocated on the basis of space
- (c) allocated on the basis of usage

5. Net Income / (Expenditure)

	2021 £	2020 £
These are stated after charging:		
Depreciation	9,910	16,164
Independent Examiner Fees	1,740	1,710

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519846)

6. Staff Costs and Numbers

	2021 £	2020 £
Salaries and Wages (a)	139,581	164,591
Social Security Costs	5,702	10,628
Pension Costs (b)	1,285	1,308
	<u>146,568</u>	<u>176,527</u>

(a) No employee received emoluments of more than £60,000 during this or the previous year.
Total redundancy payments amount to £26,974 (2020 - £Nil).

(b) The Charity operates a pension scheme for its employees under the auto-enrolment regulations.
The number of employees enrolled is shown in note (d) below.

(c) Total redundancy payments amount to £26,974 (2020 - £Nil).

(d) The average monthly number of staff employed was:	2021 No.	2020 No.
Total	<u>8</u>	<u>10</u>
Full-time equivalent	<u>3.6</u>	<u>5.1</u>
Enrolled in pension scheme	<u>3</u>	<u>5</u>

7. Related Parties, including Key Management Personnel

John Phillips is employed by the Charity as its Staff Director and is also a Director of London Print Studio Sales Limited, the subsidiary company owned by the Charity but which has been non-trading since 2004.

There have been no related party transactions in either this or the previous year except those for Key Management Personnel as noted below. The Key Management Personnel of the Charity are the Directors and the Management Staff Team, the latter of which comprises the Staff Director and Operations Manager.

None of the Directors received any remuneration or reimbursed expenses during this or the previous year.

	2021 £	2020 £
Total employee benefits received by the Management Staff Team for their services to the Charity were:	<u>93,713</u>	<u>93,502</u>

Under FRS 102, employee benefits include gross salary, benefits in kind, employer's national insurance contributions and employer's pension contributions.

8. Tangible Fixed Assets

	Building Head Lease £	Building Fit Out £	Office Furniture & Equipment £	Studio & Gallery Equipment £	TOTAL £
Cost:					
As at 1 April 2020	458,176	334,155	15,906	206,776	1,015,013
Additions	-	-	-	-	-
Disposals	(458,176)	(334,155)	-	(1,454)	(793,785)
At 31 March 2021	<u>-</u>	<u>-</u>	<u>15,906</u>	<u>205,322</u>	<u>221,228</u>
Depreciation:					
As at 1 April 2020	45,810	334,155	15,906	205,281	601,152
Charge for the Year	9,162	-	-	748	9,910
Disposals	(54,972)	(334,155)	-	(1,063)	(390,190)
At 31 March 2021	<u>-</u>	<u>-</u>	<u>15,906</u>	<u>204,966</u>	<u>220,872</u>
Net Book Value 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>356</u>	<u>356</u>
Net Book Value 2020	<u>412,366</u>	<u>-</u>	<u>-</u>	<u>1,495</u>	<u>413,861</u>

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519846)

9. Investments

The Charity holds £100 of the issued ordinary share capital of London Print Studio Sales Limited, a company incorporated in England and Wales. This represents 100% of the total issued ordinary share capital. Since April 2004 London Print Studio Sales Limited has been non-trading and its operations were transferred to the Charity from that date. For the time being, the investment is being retained. The net assets of London Print Studio Sales Limited were £1,025 at the end of this and the previous year.

10. Stocks

	2021 £	2020 £
Raw Materials	-	11,270
	<u>-</u>	<u>11,270</u>

11. Debtors and Payments in Advance (all due within one year)

	2021 £	2020 £
Income Receivable from Activities	1,207,200	-
Prepaid Expenses and Other Debtors	-	1,078
	<u>1,207,200</u>	<u>1,078</u>

12. Creditors (amounts falling due within 1 year)

	2021 £	2020 £
Trade Creditors	441,385	6,504
Social Security Costs and Other Taxes	200,099	5,314
Accrued Expenses	4,490	6,850
Deferred Income (a)	5,000	-
Bank loan (see Note 13.)	-	13,788
	<u>650,974</u>	<u>32,456</u>

(a) Income received in advance from contracts:

Balance at start of the year	-	30,271
Received in advance during the year	5,000	-
Released to income during the year	-	(30,271)
Balance at end of the year	<u>5,000</u>	<u>-</u>

13. Creditors (amounts falling due after 1 year)

	2021 £	2020 £
Bank loan	-	399,211

A 25 year mortgage for £470,000 raised from the Unity Trust Bank was secured against the head lease for premises purchased by the Charity in 2015.

Following the sale of the property during the year, this mortgage has now been fully repaid.

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519846)

14. Analysis of Net Assets between Funds

	Unrestricted General Reserve	Designated	Restricted	TOTAL FUNDS 2021
Fund balances represented by:	£	£	£	£
Fixed Assets	456	-	-	456
Current Assets	1,299,118	-	1,200	1,300,318
Current Liabilities	(650,974)	-	-	(650,974)
Long-term Liabilities	-	-	-	-
	<u>648,600</u>	<u>-</u>	<u>1,200</u>	<u>649,800</u>

Comparative information for the previous year	Unrestricted General Reserve	Designated	Restricted	TOTAL FUNDS 2020
Fund balances represented by:	£	£	£	£
Fixed Assets	411,478	1,494	989	413,961
Current Assets	86,661	52,950	1,200	140,811
Current Liabilities	(32,456)	-	-	(32,456)
Long-term Liabilities	(399,211)	-	-	(399,211)
	<u>66,472</u>	<u>54,444</u>	<u>2,189</u>	<u>123,105</u>

15. Total Funds and Movements In the Year

	1 April 2020 £	Income £	Expenditure £	Transfers £	31 March 2021 £
Restricted Funds					
I'm A Special Designer project (a)	1,200	-	-	-	1,200
Capital Grants and Donations (b)	989	-	(989)	-	-
Print Studio Litho	-	-	-	-	-
	<u>2,189</u>	<u>-</u>	<u>(989)</u>	<u>-</u>	<u>1,200</u>
Unrestricted Funds					
Designated - Fixed Assets (c)	1,494	-	-	(1,494)	-
Designated - Cyclical Repair & Renewal (d)	-	-	-	-	-
Designated - Staff Liabilities (e)	52,950	-	-	(52,950)	-
	<u>54,444</u>	<u>-</u>	<u>-</u>	<u>(54,444)</u>	<u>-</u>
General Reserve	66,472	756,179	(228,495)	54,444	648,600
	<u>120,916</u>	<u>756,179</u>	<u>(228,495)</u>	<u>-</u>	<u>648,600</u>
Total Funds	<u>123,105</u>	<u>756,179</u>	<u>(229,484)</u>	<u>-</u>	<u>649,800</u>

- (a) A grant received for this project from the Charles French Charitable Trust has not yet been utilised.
- (b) Expenditure is the depreciation charge on fixed assets purchased out of capital grants and donations.
- (c) Expenditure is the depreciation charge on fixed assets purchased out of general operating funds. As the cost of these assets has already been committed, funds equivalent to their total depreciation have been designated to leave a balance in the General Reserve freely available for any other purposes.
- (d) The purpose of this Designated Fund was to mitigate the risk of maintaining functional assets and meeting repairing obligations under the building lease. Any of these costs that couldn't be met from annual income were charged to this fund. Given that the Charity has sold the building and reconfigured its activities this fund has been withdrawn, as the financial risk it was intended to meet will not continue in the future.
- (e) This fund was created to provide a resource for staff development but, given its average use over the past five years of just over £1,600, has been withdrawn for that purpose. Instead, the balance was redesignated and significantly increased to meet liabilities arising from staff redundancies. This was utilised during the year.

LONDON PRINT STUDIO

(Company Limited by Guarantee No.2519846)

16. Transfers between Funds in the Year

	Unrestricted Funds	Restricted Funds
	General Reserve	Designated
	£	£
Transfers were as follows:		
Cyclical Repair & Renewal (a)	1,494	(1,494)
Staff Liabilities (b)	52,950	(52,950)
Total transfers	<u>54,444</u>	<u>(54,444)</u>

(a) The Designated Fund for Cyclical Repair & Renewal has been due withdrawn as its purpose is no longer continuing (see Note 15(d)).

(b) The Designated Fund for Staff Liabilities has been set up to meet the cost of redundancies should they arise (see Note 15(e)).

17. Total Funds and Movements in the Year

Comparative information for the previous year	1 April 2019	Income	Expenditure	Transfers	31 March 2020
	£	£	£	£	£
Restricted Funds					
I'm A Special Designer project	1,200	-	-	-	1,200
Capital Grants and Donations	1,011	-	(22)	-	989
Print Studio Litho	207	-	(210)	3	-
	<u>2,418</u>	<u>-</u>	<u>(232)</u>	<u>3</u>	<u>2,189</u>
Unrestricted Funds					
Designated - Fixed Assets	8,496	-	(7,002)	-	1,494
Designated - Cyclical Repair & Renewal	25,000	-	(186)	(24,814)	-
Designated - Staff Development	5,400	-	(1,875)	49,425	52,950
	<u>38,896</u>	<u>-</u>	<u>(9,063)</u>	<u>24,611</u>	<u>54,444</u>
General Reserve	90,684	283,556	(283,154)	(24,614)	66,472
	<u>129,580</u>	<u>283,556</u>	<u>(292,217)</u>	<u>(3)</u>	<u>120,916</u>
Total Funds	<u>131,998</u>	<u>283,556</u>	<u>(292,449)</u>	<u>-</u>	<u>123,105</u>

18. Financial Commitments

	2021	2020
	£	£
At the end of the year the Charity had a total of future minimum lease payments for a photocopier under a non-cancellable operating lease for each of the following periods:		
Not later than 1 year	-	142
Later than 1 year but not later than 5 years	-	-
	<u>-</u>	<u>142</u>

19. Taxation

No provision has been made for direct taxation of the Charity, because any surplus has been applied solely to the charitable purposes of the Charity and most has arisen in the actual carrying out of its primary charitable purpose. Also, turnover from non-primary purpose sales activity falls within the limits of the statutory concession applicable to registered charities.