

ROYAL WEST OF ENGLAND ACADEMY
ANNUAL REPORT AND FINANCIAL STATEMENTS
9 MONTHS ENDED 31 MARCH 2022

Company Registration Number: 03567088
Charlty Number: 1070163

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**ROYAL WEST OF ENGLAND ACADEMY
REFERENCE AND ADMINISTRATIVE DETAILS**

9 MONTHS ENDED 31 MARCH 2022

Registered office and principal address

Queen's Road
Clifton
Bristol
BS8 1PX

Company registration number – 03567088
Registered charity number – 1070163

Board

The following individuals served as directors and trustees within the period and up to the signing date:

Yvonne Ashton ACA, Honorary Treasurer
Kathy Curling, Chair
Dallas Collins RWA
Rebecca DeNiro (appointed 13 October 2022)
Patrick Finch
Elena Marco
Vanessa Moon (resigned 13 October 2022)
Michael Perry (appointed 13 October 2022)
Fiona Robinson PRWA
James Russell
Junior Sheikh
John Vasey
Nerys Watts
Joanna Wyld

Company Secretary

Nicola Prosser

Auditor

Burton Sweet Limited Chartered Accountants & Registered Auditor
5 Farleigh Court, Old Weston Road, Flax Bourton, Bristol BS48 1UR

Bankers

Barclays Bank, 55 Broadmead, Bristol BS1 3EA

Investment advisors

Evelyn Partners
Portwall Place, Bristol BS1 6NA

ROYAL WEST OF ENGLAND ACADEMY
TRUSTEES ANNUAL REPORT
9 MONTHS ENDED 31 MARCH 2022

The Trustees are pleased to present their report, together with the financial statements of the Royal West of England Academy ('the RWA' or 'the charity') for the 9 months ended 31 March 2022. The accounting period for this year has been shortened to realign our financial year, so that in future our reporting will be from 1 April to 31 March, consistent with that of most major funding bodies. This report and the financial statements have been prepared in accordance with the Companies Act 2006, the charitable Company's Memorandum and Articles of Association and the Statement of Recommended Practice "Accounting and Reporting by Charities". Reference and administrative details are set out on page 3 and form part of this report.

Structure, governance and management

The RWA is a company limited by guarantee and registered as a charity with the Charity Commission. It is governed by its Memorandum and Articles of Association and by its Bye-laws.

The governing body of the charity is the Board. The directors of the RWA for purposes of company law are also the charity's trustees and are generally referred to as 'the Trustees'. The Board meets at least six times a year with the Director and Director of Operations in attendance. It is involved in major strategic decisions and has ultimate responsibility for the conduct and financial stability of the RWA. There are also Board committees covering audit, nominations, engagement and property matters, respectively. The Board is led by the Chair of Trustees and financial matters are overseen by the Honorary Treasurer.

During the period, a review of the management structure was undertaken and a new role of Director of Operations was created. The Board appoints the Director and Director of Operations, determines their contract of employment and reviews their pay and performance, and the Treasurer oversees the level of remuneration for the senior management team.

Day-to-day management is the responsibility of the Director and Director of Operations, assisted by the senior management team (SMT). During the period, this comprised the Head of Development and Head of Programme. From 1 April 2022, the SMT has been expanded to include the Head of Learning and Engagement and Head of Communication. Remuneration of all the key management personnel is benchmarked against comparator organisations in the sector of a similar scale, and is reviewed annually based on both performance and market trends.

The Trustees are appointed as prescribed by the Memorandum and Articles of Association and by the Bye-laws. New Trustees are recruited through a process of advertisement and interview that is handled by the Nominations Committee of the Board. Training for new Trustees was undertaken during the year and formalisation of roles and responsibilities all continue to be effected in response to the Governance Review recommendations.

The Council of Artists, comprising unpaid representatives of RWA Academicians, provides advice to the Board on artistic matters. It is Chaired by the Academicians' President, who also serves on the Board. Academicians also serve on an Exhibitions Committee, guiding the content of the artistic programme.

Objectives and activities

The charity's Objects are: "to advance the education of the public in the fine arts and, in particular, to promote the appreciation and practice of the fine arts and to encourage and develop talent in the fine arts."

The charity's Objects determine its objectives, aims and activities, namely to use the RWA's exceptional gallery spaces to display for the public a wide range of art by artists including Academicians and non-Academicians; works from the RWA's permanent collection, and works on loan from public and private collections, supported by information and related educational events, such as lectures, exhibition tours and workshops.

The RWA collaborates with arts and educational institutions across the region and hosts a School of Art (currently operated by South Gloucestershire and Stroud College, 'SGS') within its building. It also operates the RWA Drawing School, offering informal learning opportunities for amateur and professional artists.

The key objective has been, and remains, for the RWA to be a sustainable centre for excellence in the visual arts for the South West region.

Strategy for achieving objectives

The strategies employed to achieve the charity's aims and objectives are to:

- Work with our Academicians and external curators to present a broad range of art exhibitions for the enjoyment and education of our local communities and the public of the South West
- Offer opportunities for people of varied ages, backgrounds and abilities to be involved in arts activities and to nurture and explore their own creative powers
- Provide facilities for amateur and professional artists to learn and share skills and to develop and exhibit their work
- Care for, develop and provide access to our fine art collection
- Involve young people in artistic activities and to encourage their enjoyment and understanding of the visual arts
- Support the provision of formal training in the fine arts and architecture through associations with relevant institutions
- Celebrate the diversity of cultures in our society by programming presentations by, and with, artists from different cultural backgrounds
- Generate income from ticket sales, retail and other commercial operations and from public and private funding sources to provide sustainable funding for its activities.

Our specific aims for 2021-22 were to:

- Deliver and complete the Light and Inspiration project capital works
- Maintain a sustainable business model, making best use of resources and adapting to circumstances
- Use the reopening of the building to raise the profile of the RWA locally, regionally and nationally
- Provide an environment in which all communities are welcome and feel able to engage with our work, and make a positive impact on lives across Bristol.

Our key objectives for 2021-22 were to:

1. Ensure that there was sufficient funding to complete the Light and Inspiration project
2. Develop and hone our marketing strategy to expand use of digital technology to promote and provide access to our planned programme of stimulating, high quality exhibitions, events and outreach activities on re-opening to the public
3. Continue to widen diversity at the RWA by ensuring that our organisation truly reflects wider society in its representation by people from Black, Asian and Mixed Ethnicity communities and of differing age, sexual orientation, gender identity, disability and beliefs, at all levels, including the Board, the staff team, volunteers, Academicians, Patrons and Friends of the RWA
4. Build on our fundraising strategy to ensure that our core activities – including our exhibitions, outreach and learning and participation programmes – are sustained and enhanced through regular personal giving, donations, grants, bequests and sponsorship activities
5. Review, refine and begin to implement our business development plans to ensure that Light and Inspiration delivers significantly increased income from visitor spend, hires, commercial activities and corporate memberships, in order to build our free reserves.

Despite a truncated financial year; the continuing effect of the Covid-19 pandemic; construction industry supply issues, cost increases and resultant project delays, and a high turn-over of staff, all aims and objectives were progressed towards or broadly met.

Review of charitable activities, achievements and performance for the 9 months to 31 March 2022

This period has been a momentous chapter in the RWA's history, seeing the greatest transformation of the building and its activities in over a century. The entire building was completely cleared following the 168 Annual Open Exhibition in order that the contractors could start from 24 May 2021. Staff were relocated to a nearby temporary office, or worked remotely, for the remainder of the period and the Drawing school relocated to Hamilton House on Gloucester Road.

LIGHT AND INSPIRATION (L & I) PROJECT

Formal permission for this project to commence was obtained from the National Lottery Heritage Fund (NLHF) from the end of October 2020 and it included a significant activity programme, in addition to the capital refurbishment. The activity programme will continue through to the end of 2022 with the evaluation to be completed by January 2023.

The specific aims of the project were to:

- Visibly transform access to engage new and wider audiences
- Preserve the exceptional quality of the galleries
- Improve the visitor experience from first glimpse
- Strengthen financial resilience and decrease environmental impact
- Extend inspirational community engagement

We set out to achieve this by:

- Installing new, thermally-controlled roof lanterns to mitigate extreme temperatures
- Creating vibrant social spaces, outdoors and in, welcoming families and supporting urban nature
- Introducing a capacious new lift and new entrances to signal a welcome for all
- Enhancing cafe, retail and accessible community amenities
- Future-proofing utilities and improving revenue generation facilities
- Building on and expanding our partnerships and wellbeing work, supporting disadvantaged individuals and communities across Bristol and beyond

In addition to the schedule of capital works and activity outlined in our original submission, the approved purposes for the NLHF grant included the installation of a Changing Places toilet facility.

L & I Capital refurbishment

The original project budget was £3.35 million. However, prior to commencement in May 2021, £3.63 million had been raised, enabling the scope of the project to be extended. Additional works included the recladding of the Methuen and Stancomb-Wills side galleries, and installation of external lighting.

Our ambitions for our Learning and Engagement programme also expanded and we decided to create a vibrant new space for visitors of all ages and abilities to get creative. We raised £23K towards this through a crowd-fund campaign in partnership with the Art Fund. This funded additional capital works and digital equipment, furniture and fittings suitable for use by both young children and older visitors to create a contemporary environment for individuals, families, schools and communities. In addition, we have created a separate community space for vulnerable, isolated and disadvantaged people to improve their well-being through art and creative activities (the Youngwood room).

A commissioning grant was also obtained from the Art Fund to enable the exterior of the lift shaft to become a new public artwork, with a design by Peter Randall-Page RA RWA executed in enamel. The Friends of the RWA ran a specific campaign to install glass doors into the galleries.

The capital element of the project was originally scheduled to be completed by Christmas 2021, with re-opening scheduled for February 2022. However, it soon became clear that, as a result of the impact of

Covid-19 and other national and international factors affecting the construction industry in general, there was going to be a delay.

From the outset, the main contractor, Beard Construction (Beard), encountered unprecedented difficulties, including being unable to appoint sub-contractors to undertake initial piling works, and lead times for manufactured items and raw materials increased significantly. In addition, despite extensive investigative works and surveys, a number of unexpected issues also arose with the historic building, resulting in delays pending resolution, and increased expenditure.

Unfortunately, over the course of the project it became apparent that the impact of the majority of the preparatory planning and work being undertaken during a pandemic when the design team were predominantly working from home, meant that the scope of work was not as comprehensive as it should have been. This, in conjunction with the delays as outlined above, increased the overall contractor cost significantly.

As the project progressed and we were made aware of cost increases, we continued to fundraise and were successful in obtaining substantial top-up grants from funders including the Foyle Foundation, Garfield Weston Foundation, John James Bristol Foundation, Linbury Trust and Nisbet Trust, as well as further grants and donations. In addition, we ran a further crowd-funding campaign in March 2022 to cover the anticipated shortfall. Post year end, we have received confirmation of top-up funding from the National Heritage Lottery Fund to meet the balance of expenditure. The final estimated full cost of the delivery phase of the project is £4.56 million.

A list of trusts, foundations and donors who have contributed in excess of £5,000 to the L & I project are shown in Note 2 to the accounts. We would like to express our sincere gratitude to everyone who has supported this project and will be listing all donors on our website in due course.

As soon as we were aware that the project was going to over-run, the planned exhibition programme was reviewed and a decision was taken to condense the opening exhibition, 'Me, Myself, I', to seven weeks, which was the shortest viable run-time, rather than cancelling, enabling us to recoup some return on committed expenditure.

We then worked collaboratively with Beard to ensure that practical completion was achieved in mid-April so that artworks could start to be brought into the building, and we eventually re-opened to the public on 2 May.

L & I Activity programme

There is a comprehensive and ambitious schedule of community engagement that forms a significant part of the L&I project. The programme commenced in January 2021 and runs through to the end of 2022.

During the period we achieved the following:

- CreativeShift Arts Ease: this is a project for people on an arts-on-referral programme from their GPs. We delivered the remaining 16 workshops (out of a total of 38) for 39 participants. A smaller group of 10-12 participants signed themselves up to work further with the facilitator to develop and refine the work they began in the main project, which will be exhibited at the RWA on re-opening.
- 'Happy Mondays': the first workshop with students from Venturers Academy took place in February 2022 in preparation for a planned new programme for children with an autism diagnosis to participate in workshops and see the exhibitions on monthly Monday mornings, when we are closed to other visitors. Happy Mondays will also include afternoon sessions open for SEN+D families to drop in, widening our offer for children with learning and physical disabilities. This project now also involves Briarwood School so we can create an offer tailored to pupils with PMLD (profound and multiple learning disabilities). These children have the least provision outside school. We have recruited a Learning & Participation intern to assist with the delivery of Happy Mondays. He is an autistic young man with an art education, but who has not yet had a job. By creating this internship we aim to support his goal to get into employment in the arts.

- VAREKAI (Wherever) Pop-up Exhibition: Following the initial pop-up at Easton Community Centre of 9 works selected from the collection, this then toured to Bristol Community Links South (Filwood), St Paul's Learning Centre (Ashley Ward), Barton Hill Settlement and Wellspring Healthy Living Centre. A track hanging system has been installed and donated to each of the community centres to use for future exhibitions. In addition, Artist-led workshops accompanied each of the exhibitions including a free Family Workshop, and a workshop for a local community group attracting 128 participants. Some of the venues are now hanging their own exhibitions using the hanging track system that was the legacy of this project.
- Scribble and Sketch – Free monthly drop in sessions for families started from October 2021 at new venues in Hartcliffe and Southmead and re-commenced at Easton and Redcliffe. There were 512 participants during the period.
- Six Young Ambassadors attended training and assisted with family activities such as Pop-up exhibition workshops. They organised an employability in the arts FAQs event in March 2022 having applied for funding and secured speakers. It was held at Bricks in St Anne's and 17 young people from the area attended.
- Three 'Bring your Baby' group sessions were held during the period including the Pop-up exhibition at St Pauls and at the RWA Heritage exhibition attracting 38 participants .
- Bristol Refugee Artists Collective (BRAC) have been attending a programme of CPD workshops, including workshops with Art Council England, RWA staff and Academicians, a freelance photographer, a painter and a writer. They have met 14 times and the artists are being supported to further develop their artwork using the skills they learned through the workshop programme in order to make work ready for their exhibition at RWA in August 2022.
- BCL South and North (centres supporting adults learning difficulties; physical and sensory impairments, or dementia) - a series of 8 print workshops with participants at both sites had very positive feedback and work was exhibited at the RWA alongside that by Creativeshift participants.
- Phase 1 of Look Imagine Write (a literacy project for schools) was completed and delivered to five schools including two new partner schools identified as those with high numbers of students with EAL in September. Teachers worked through the activity content in the first of two publications and Phase was delivered in January 2022. Work featured alongside exhibits in the 'Me, Myself, I' exhibition and school visits and workshops took place in May 2022 when the project culminated in a presentation evening.
- Four young people from targeted schools in disadvantaged areas of the city participated in a Work Experience week which had to be run by Zoom sessions. The pupils curated their own digital exhibition using the RWA Collection and wrote all the interpretation and labels themselves.
- 4 Roma Youth Group art workshops have been held working with younger children (7-10 years old) and the second phase, working with older children will begin in May.
- 'The RWA Collection: Our Heritage, Our Future' exhibition was shown at the Victoria Methodist Church. 1,552 visitors attended the exhibition, of which 51 joined a guided tour.

L & I Volunteer programme

As a result of the L & I project, the volunteers' network has been supervised by a full-time Volunteer Co-ordinator, who instigates recruitment and ensures that inductions, training and support are provided to all volunteers. Opportunities for volunteering are offered to all, welcoming people of all ages, gender identities, backgrounds and disabilities, and providing a vehicle for enriching employment experience for Sixth form school pupils, graduates and job seekers, as well as life-long-learning and social engagement for older people.

Volunteers are usually involved in all areas of the RWA's work, including visitor care and gallery stewarding, tour guiding; staffing events; supporting the exhibitions team with changeovers; engaging with our community groups; undertaking audience surveys; providing specialist advice, and organising lectures, trips and fundraising activities as part of the Friends of the RWA.

During the building closure, volunteer opportunities were further expanded to include digitalisation of the Annual Open Catalogues, assisting with archive material and contributing towards the proposed heritage trail.

Achievements included:

- 13 Family Learning Volunteers completed their mandatory safeguarding training for the role in July and have assisted with Scribble and Sketch and Bring your baby workshops during the period.
- 27 volunteers plus 6 interns have contributed towards the digitisation of the RWA Annual Open Exhibition catalogues.
- 26 Archive and Research Volunteers were invited to a number of archiving sessions throughout the period led by our Curatorial Technician who gave introductions to the collection and briefed the volunteers on their task. The research strand of the heritage project was launched at the end of September with the initial aim of conducting research into RWA Academicians - to build upon our existing database - and to develop our knowledge of their place in art history.
- The Exhibitions Assistant role description was updated and 3 art handling training sessions delivered by our Curatorial Technician so that volunteers could assist with the RWA Collection exhibition installation.
- The Visitor Assistant (formerly Gallery Steward) role description was updated and 28 volunteers stewarded the exhibition and supporting our Front of House team throughout October and November.
- 7 volunteers and 3 Young Ambassadors attended a Tour Guiding Training session in September, led by an accredited Blue Badge tour guide. Volunteers were then invited to write and present their own tours for the RWA Collection exhibition. They were provided with the notes from the training, images of the artworks and interpretation, a book about the history of the RWA, and a guide to the visitor journey through the exhibition. 3 volunteers prepared tours, and led a total of 5 tours between them. The feedback was excellent, and visitor attendance ranged from 5-14 people.
- Volunteers were invited to an outdoor sculpture tour in August, led by a former Curator of Fine Art at Bristol Museum, and a Christmas event.

We currently have 135 volunteers who have volunteered on more than one occasion during the period and in total have contributed 965 hours of volunteering during the period.

Other achievements during the period

During just over two years of the RWA being closed for most of the time - first due to the pandemic and then the capital project - we experienced a significant contraction in staff, with nearly a third of employees (predominantly those previously involved in Front of House roles) leaving to take up alternative roles elsewhere. These roles were only replaced immediately prior to re-opening, which increased the workload on the remaining staff. Despite this, we achieved the following:

- 42 unique Drawing school courses and workshops were held either in person at an alternative venue or delivered by zoom with 598 participants
- The Secret postcard auction took place in September 2021 and received 398 submissions raising £93,757 before charges
- Digital engagement increased with 14,600 followers on Twitter and 9,300 on Facebook
- We were awarded £103,900 from the Arts Council England Cultural Recovery Fund which, as well as providing essential contribution towards operational expenses during the closure period, also funded the management review and specialist consultancy advice in respect of future retail and catering provision
- Corporate income has been maintained during the year through Art In Your Workplace agreements with Audley Redwood, Audley Malvern and DAC Beachcroft. In addition, Schroders Wealth Management sponsored the 'Our Heritage, Our Future' exhibition. Our sole source of regular public subsidy remains Bristol City Council, who have continued funding under their Openness programme (£9,600 p.a.).

The Friends of the RWA (an independent charity, No. 1107149) continue to administer and run a Friends membership scheme on behalf of the RWA and support its activities with regular donations, as well as organising lectures and a cultural tours programme.

Our Patrons continue to play a key role in supporting the RWA's work, and we are delighted that we have continued both to gain new members and to secure increasing levels of support. The generous support of our Patrons is invaluable, including ad hoc project donations and new donor introductions, as well as direct membership subscriptions. Over the coming year, we will continue to work on the retention and recruitment of Patrons. A full list of our Patrons and supporters is on page 35.

Fundraising

Since its inception, the RWA has relied on fundraising and voluntary income and strictly abides by the highest ethical standards, as well as complying with all legislation regarding fundraising disclosures. We do not use external third parties or commercial participators in our fundraising, and are fully compliant with all relevant professional codes. No complaints over the conduct of our development campaigns or activities have been raised, and particular care is taken to protect those vulnerable people and communities who form a key part of our target audience.

Public benefit

The Trustees have complied with the Charities Act 2011 and confirm that they have paid due regard to the guidance issued by the Charity Commission on Public Benefit.

Diversity

The RWA has had equality at its heart since its foundation and is making significant progress in engaging non-traditional audiences and broadening the diversity of every aspect of our organisation and work. However, we recognise that our organisation's stakeholders – staff, Academicians, Governance and volunteers – still do not reflect the diverse cultures of our community and therefore continue actively encouraging a broader range of people to join us at all levels of our organisation, from volunteers to Board members.

We are committed to continuing to work towards ensuring that our organisation truly reflects the equality enshrined in its history and values and the diversity of the communities we serve, and are enacting training, positive recruitment, consultation and direct engagement to achieve this aim.

Financial Review

On 21 November 2021, the Board of Trustees approved the change of the RWA's year end to 31 March from 30 June, in order to facilitate improved reporting to funders after the capital project. Hence this report and these financial statements are for the period of 9 months to 31 March 2022 ('the period'). All comparatives are for 12 months ('the year') to 30 June 2021.

Total net income for the period amounted to £2,478,101 compared with £895,134 for the year in 2021, and at 31 March 2022 the charity's net assets totalled £8,979,987, including investments of £432,660 and cash at bank of £1,389,434.

Income

Total income for the period in 2022 was £3,052,872 (2021 year - £1,552,144). Restricted fund income rose to £2,716,417 (2021 - £993,289) primarily due to income of £2,600,221 (2021 - £787,827) in respect of the Light & Inspiration capital project, but also due to Cultural Recovery Funding from the Arts Council of £103,900.

Unrestricted income totalled £320,765 compared to £537,935 in 2021. This decrease is predominantly due to the fact that we were closed during the entire period and hence received no income from exhibitions, rather than the fact that we are comparing a 9 month period with a full year. In addition, the RWA only received £3,221 in the period, (2021 year - £132,583) from the government's Covid-19 support schemes, as these were wound down.

Expenditure

Total expenditure for the period in 2022 amounted to £553,026 (2021 year - £744,164), the decrease being primarily due to unrestricted expenditure which fell to £308,556 as covering only 9 months rather than 12 (2021 year - £529,494). This reduction was also due to some operational expenditure being funded by

Emergency Funding, but also as a result of lower staffing costs, as nearly a third of staff left during this period and were not replaced until closer to the reopening of the building in early May.

Tangible Fixed Assets

Due to the capital project, the net value of tangible fixed assets increased in the period from £4,911,568 as at 1 July 2021 to £7,932,762 at 31 March 2022. As the project did not complete and the building was not reopened until early May, after the period end, this 'ongoing' expenditure has been shown under the heading 'Assets in the Course of Construction'. Those elements relating to Fixtures will be separately identified and depreciated in the next financial year.

Investment losses for the period in 2022 totalled £21,745 (2021 year – gain of £87,154).

Cash flow and cash balances

Operating and investing activities for the period in 2022 resulted in a net cash inflow of £119,751 overall (2021 year - £949,835) and resulted in cash at bank of £ 1,389,434 at 31 March 2022 (2021 - £992,983), including unrestricted cash of £223,303 (2021 - £233,637).

Other fund movements

Income and expenditure by individual fund are set out in note 17 to the financial statements. The major activity during the year related to delivery phase expenditure in relation to the Light & Inspiration capital project. As a result of income from the Cultural Recovery Fund and the Secret Postcard Auction, the designated fund created in the prior year to support the organisation through its planned closure period was not required. Designated funds are unrestricted and hence it is included as part of the unrestricted fund total. Certain property related costs and costs relating to the maintenance of the permanent collection totalling £9,468 (2021 year - £17,626) were borne by The Mrs AA Talboys Bequest restricted fund in the period.

Investments

The Trustees' investment objective is to achieve a balanced return between income and growth over the long term, subject to a medium level of risk, with the portfolio being regularly reviewed at Trustee meetings. The investment policy takes into account social, environmental and ethical considerations. Cash is also held in The Mrs AA Talboys restricted fund to ensure adequate liquidity should the Trustees wish to use it for permitted purposes.

The Light & Inspiration capital project meant that it was even more important than usual to maintain the value of the RWA's investment portfolio and to improve its liquidity. Hence the Trustees sold a further £200,000 of investments, mainly equities, in early August 2020 to hold as cash prior to making necessary capital payments for the project. This then brought the total cash to nearly 50% of the portfolio. On 23rd February 2022, cash of £335,000 was removed from the portfolio for this purpose, although £70,000 is to be returned, as shown in Note 18 to the accounts.

Overall the loss for the period of £21,745 was only 2.7% of the balance brought forward at 1 July 2021, primarily due to the large amount of cash held when stock markets fell in January and February 2022.

Reserves

The Trustees have reviewed the level of free reserves that the charity should have, being those funds that are not restricted or represented by fixed assets. At 31 March 2022 unrestricted funds increased to £209,345 compared with £185,307 at 30 June 2021, but after taking into account funds held as designated reserves and fixed assets, free reserves were £62,302 (2021 – £50,106). This free reserves balance at 31 March 2022 includes an amount of £26,500 that is repayable to The Mrs AA Talboys Bequest in annual instalments of £2,000 over the next thirteen years.

The Trustees consider that the 'going concern' basis remains appropriate for the preparation of the charity's financial statements. As discussed above, the underlying performance of the charity has been strong, despite the impact of the pandemic, and the RWA is well placed to continue to grow and to benefit from the capital improvements.

The Trustees consider that an appropriate level of free reserves would be £150,000 to £250,000, in order to allow the charity to be managed efficiently and to cover any unforeseen repairs to the building and disruption to the programme of exhibitions and related activities. Whilst free reserves remain below this desired level

the charity aims to maintain sufficient cash resources to meet its operational needs, at the same time taking appropriate initiatives to attract further funding and to secure an increased return from its charitable activities. An unsecured overdraft facility of £60,000 is also available to provide a further cushion.

Risk management

The Trustees are responsible for ensuring that the RWA has effective risk management procedures in place that identify areas of potential risk and evaluate their likelihood of occurrence and potential impact. A risk register is maintained and significant risks are considered by the Trustees on a regular basis to ensure that they are being managed appropriately. This has been regularly reviewed and adjusted as appropriate during the pandemic and has most recently been amended to include a register of risks associated with the reopening of the RWA to the public.

Other major risks facing the charity are financial sustainability, primarily as a result of low free reserves, an increased funding requirement, the increase in energy prices and cost of living crisis in general and insufficient income being generated from charitable activities or increased costs associated with staging exhibitions. Actions and initiatives are being taken to address these risks as referred to above and in the following section on Plans for 2022-23 and beyond.

Creditor payment policy

It is the RWA's policy to pay creditors in accordance with the terms of payment agreed at the start of business with each supplier.

Plans for 2022–23 and beyond

The Light & Inspiration project had two primary aims: increasing our sustainability and engaging a wider community, and now that the physical transformation of the building is complete, the most significant barriers to achieving these aims have been overcome. Our overriding objective now is to utilise our new facilities to effect a fundamental shift in our financial sustainability through increasing both our earned income and our discretionary financial support from all sources by building our reputation, service offer and audience, so that we can fulfil our charitable purpose by lighting up lives with art across Bristol and beyond.

Our specific aims for 2022-23 are to:

- Embed sustainable business practices, making best use of resources and adapting to circumstances
- Invest in both programme and marketing, including expanded and innovative use of digital channels, to raise the profile of the RWA locally, regionally and nationally
- Continue listening to the communities we serve, co-creating our activity programmes, to ensure that we provide an environment in which all communities are welcome and feel able to engage with our work, and make a positive impact on lives across Bristol

Our key objectives for 2022-23 are to:

1. Build on our fundraising strategy to ensure that our core activities – including our exhibitions, outreach and learning and participation programmes – are sustained and enhanced through increased core funding, regular personal giving, donations, grants, bequests and sponsorship activities
2. Review, refine and implement our business development plans to ensure that we are maximising our potential income from visitor spend, hires, commercial activities and corporate memberships, in order to build our free reserves
3. Develop and hone our marketing strategy to expand use of digital technology to promote and provide access to our planned programme of stimulating, high quality exhibitions, events and outreach activities
4. Continue to widen diversity at the RWA by ensuring that our organisation truly reflects wider society in its representation by people from Global Majority and Mixed Ethnicity communities and of differing age, sexual orientation, gender identity, disability, socioeconomic background, outlook and beliefs, at all levels, including the Board, the staff team, volunteers, Academicians, Patrons and Friends of the RWA

We recognise that our success, and our ability to meet our charitable purpose, will depend on support from a wide range of sources, including past, current and potential future benefactors; trusts and foundations; volunteers; artists and art-lovers; commercial sponsors, and public funding bodies, as well as on the hard work and dedication of the staff team. We are confident that the measures we are taking to effect improvements, together with the underlying goodwill evident from so many individuals, will ensure our resilience through garnering increasing support to meet our objectives.

Statement of Trustees' responsibilities

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

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

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

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to make themselves aware of that information.

Auditor

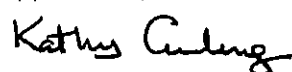
Burton Sweet was re-appointed as the charity's auditor during the year and have expressed their willingness to continue in that capacity.

Acknowledgements

Thanks are due to the staff team at the RWA, including the volunteers, for their much appreciated loyalty, commitment and contribution that have been essential to the continued development and sustainability of the RWA. We are also grateful to the FRWA for their continued partnership, and to the Friends membership generally for their invaluable support. We are further indebted to our Patrons and our many other supporters and sponsors, as well as grant funders including Bristol City Council, National Lottery Heritage Fund and Arts Council England.

Finally, we would like to thank the Academicians, many of whom contribute greatly to the Academy. We are particularly grateful to the Academicians' Council and to President Fiona Robinson for all their hard work and dedication.

Approved by the Trustees on 13th October 2022 and signed on their behalf by:



Kathy Curling
Chair

Independent auditor's report to the members of Royal West of England Academy

Opinion

We have audited the financial statements of Royal West of England Academy (the "Charity") for the 9 months ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

This report is made solely to the Charity'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 Charity's members those matters we are required to state in them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 charity'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 directors 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 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.

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 the 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 in the course of the audit:

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

Matters on which we are required to report by exception

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

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance through the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

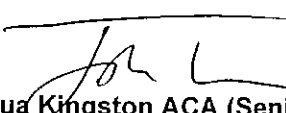
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm This description forms part of our auditor's report.


Joshua Kingston ACA (Senior Statutory Auditor)

For and on behalf of Burton Sweet Limited
Statutory Auditor
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date: 13 October 2022

ROYAL WEST OF ENGLAND ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES (Including Income & Expenditure Account)

9 MONTHS ENDED 31 MARCH 2022

	Note	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Endowment funds £	Total funds 2022 £	Total funds 2021 £
Income from:							
Donations and legacies	2	47,077	-	2,709,346	-	2,756,423	1,185,611
Charitable activities	3	261,325	-	-	-	261,325	299,865
Other trading activities	4	12,363	15,690	-	-	28,053	53,379
Investments	5	-	-	7,071	-	7,071	13,289
Total income		320,765	15,690	2,716,417	-	3,052,872	1,552,144
Expenditure on:							
Charitable activities	8	270,911	3,861	224,189	-	498,961	658,909
Raising funds	8	37,645	-	16,420	-	54,065	85,255
Total expenditure		308,556	3,861	240,609	-	553,026	744,164
Gain/(loss) on investments	11	-	-	(22,403)	658	(21,745)	87,154
Net income being net movement in funds	6	12,209	11,829	2,453,405	658	2,478,101	895,134
Total funds at 1 July 2021	17	58,356	126,951	1,725,558	4,591,021	6,501,886	5,606,752
Total funds at 31 March 2022	17	70,565	138,780	4,178,963	4,591,679	8,979,987	6,501,886

Net income as defined by the Companies Act, and therefore excluding income from endowment funds, totalled £2,477,443 for the period (2021 year - £891,678).

All gains and losses arising in the period are included in the Statement of Financial Activities and derive from continuing activities. The comparative data for this note can be found in note 19.

The notes on pages 20 to 33 form part of these financial statements

BALANCE SHEET

AS AT 31 MARCH 2022

	Note	At 31 March 2022 £	At 30 June 2021 £
Fixed assets			
Tangible fixed assets	10	7,932,762	4,934,741
Investments	11	432,660	793,862
		<u>8,365,422</u>	<u>5,728,603</u>
Current assets			
Stock	13	7,020	9,985
Debtors	14	140,243	69,769
Cash at bank and in hand	16	1,389,434	992,983
		<u>1,536,697</u>	<u>1,072,737</u>
Creditors: amounts falling due within one year	15	(922,132)	(299,454)
Net current assets		<u>614,565</u>	<u>773,283</u>
Net assets		<u>8,979,987</u>	<u>6,501,886</u>
Funds			
Endowment funds	18	4,591,679	4,591,021
Restricted funds	18	4,178,963	1,725,558
Unrestricted general funds	18	70,565	58,356
Unrestricted designated funds	18	138,780	126,951
Total funds		<u>8,979,987</u>	<u>6,501,886</u>

These financial statements were approved by the Trustees on 13th October 2022 and are signed on their behalf by:



Kathy Curling
Chair



Yvonne Ashton
Honorary Treasurer

The notes on pages 20 to 33 form part of these financial statements

ROYAL WEST OF ENGLAND ACADEMY
STATEMENT OF CASH FLOWS
9 MONTHS ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Net cash inflow from operating activities	16	3,056,860	993,283
Non-operating cash flows			
Investing activities:			
Proceeds from the sale of investments		80,868	333,378
Payments for investments		(18,112)	(40,561)
Investment income		7,071	13,289
Payments for tangible fixed assets		(3,006,936)	(349,554)
Net cash outflow from investing activities		(2,937,109)	(43,448)
Net cash inflow for the year	16	119,751	949,835

The notes on pages 20 to 33 form part of these financial statements

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
9 MONTHS ENDED 31 MARCH 2022

1 Accounting policies

a) Basis of preparation

The financial statements of the RWA are prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) (or Companies Act 2006) and UK Generally Accepted Practice as it applies from 1 January 2019. A summary of the principal accounting policies is set out below.

The charity meets the definition of a public benefit entity under FRS102.

The Trustees consider that there are no material uncertainties affecting going concern and that this basis remains appropriate for the preparation of the Charity's financial statements. Please see the going concern comments in the Financial Review, Reserves section of the Trustees' report for more details of this justification.

b) Funds accounting

General unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects and administration of the charity.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used.

Endowment funds comprise individual trust funds set up by specific donors, the capital of which may not be expended.

The various funds in existence during the year are set out and described in note 17.

c) Income

Donations

Donations includes grants, Patrons and Friends subscriptions, recognised on a receivable basis. Gifts in kind are included as income when there is a clear benefit to the RWA and the value can be easily ascertained or estimated. Income from individual membership schemes that are eligible for gift aid is recognised in full on receipt.

Where donor imposed conditions require that the resource is expended on tangible fixed assets, the donation is recognised as restricted fund income and transferred to unrestricted funds when the conditions have been met.

Income from other trading activities

Such income is recognised on a receivable basis.

Income from charitable activities

Income from exhibitions and workshops is accounted for in the period in which the exhibition or workshop takes place. Subscriptions are accounted for on a receivable basis.

d) Expenditure

Expenditure on raising funds includes the costs of securing Patrons (including the cost of providing membership benefits), attracting donations and grants, investment management fees and the cost of trading activity.

Expenditure is directly attributable to specific activities. Where support costs relate to more than one activity they are apportioned on a basis consistent with the estimated use of the resource.

Governance costs represent the cost of the Company Secretarial role and costs associated with the preparation and audit of the statutory financial statements and are recognised within support costs.

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Costs relating to the curation, set-up and dismantlement of an exhibition, net of any related sponsorship, are deferred and written off on a straight line basis over the period of the exhibition.

Pension costs - the RWA contributes to the personal pension plans of eligible employees. The pension plans are defined contribution schemes and the pension charge represents the amount payable by the Charity to those plans in respect of the year.

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
9 MONTHS ENDED 31 MARCH 2022

1 Accounting policies (continued)

e) Heritage Assets - works of art

Works of Art consist of paintings and other examples of fine art acquired by donation, bequest or purchase. The Works of Art are accounted for as follows:

As an Accredited Museum (2145), in accordance with the Museums Code of Ethics, the Works of Art in the RWA's collection are held as historical, educational and artistic assets rather than as financial assets.

A significant proportion of the collection was donated or acquired many years ago. Additions to the collection in recent years have most typically been in the form of works of art produced by newly elected Academicians of the Academy, termed 'diploma works' and donated as a condition of membership. Works of art donated to the RWA in this fashion are not considered appropriate to value and recognise on the balance sheet due to the lack of reliable information regarding their value. Works of art, if purchased by the RWA, as required by the SORP, would be able to be valued and would therefore be recognised as a heritage asset. However, it would be noted that there is a strict code of ethics for museums such as the RWA surrounding the curation of such assets. Expenditure required to preserve and maintain the collection or individual items within the collection is recognised in the Statement of Financial Activities in the period it is incurred.

f) Tangible fixed assets

Tangible fixed assets over £500 are capitalised and stated at cost. Since 30 June 2014 freehold property has been reflected in the financial statements at depreciated replacement cost.

Depreciation is provided so as to write off the cost of the assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned at the following annual rates:

Furniture and equipment - 20-33.3%

Website - 25%

The capital spend as a result of the Light and Inspiration project is shown separately under note 10 as Assets under Construction. There will be a transfer to the Freehold endowment when the project is completed. No depreciation is being charged on freehold property or on the capital spend as a result of the Light and Inspiration project, as in the opinion of the Trustees any charge would not be material due to the very long useful life of the asset. The Trustees annually review the carrying value for indication of any impairment.

g) Investments

Listed investments are held at market value, and represent investments administered by investment managers on behalf of the charity. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate fund according to the "ownership" of the underlying assets. Unlisted investments are held at cost less any impairment.

h) Stocks

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

i) Classification

As highlighted in the Financial Review, the Financial year end has been changed to the 31 March from 30 June. Hence, the figures stated for notes 2 to 9 and 16 are for the period of 9 months to 31 March 2022 ('the period'). All comparatives are for 12 months ('the year') to 30 June 2021.

ROYAL WEST OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

9 MONTHS ENDED 31 MARCH 2022

2	Donations and legacies	Unrestricted Funds	Restricted funds	Total funds 2022	Total funds 2021
		£	£	£	£
	<i>Donations and grants:</i>				
	Patrons and Friends of the RWA	27,406	-	27,406	150,027
	Other donations and Gift Aid	3,250	11,167	14,417	46,640
	Arts Council England	-	355,178	355,178	152,596
	Garfield Weston Foundation	-	50,000	50,000	150,000
	Foyle Foundation	-	50,000	50,000	100,000
	National Lottery Heritage Fund	-	1,032,126	1,032,126	121,233
	The Nisbet Trust	-	100,000	100,000	50,000
	The Linbury Trust	-	100,000	100,000	50,000
	Anonymous	-	100,000	100,000	-
	Other capital donations	-	71,682	71,682	61,712
	John James Bristol Foundation	-	355,000	355,000	-
	Bristol Port Company	-	-	-	50,000
	Medlock Charitable Trust	-	30,000	30,000	-
	Society of Merchant Venturers	-	25,000	25,000	25,000
	The Wolfson Foundation	-	200,000	200,000	-
	Pople Charitable Trust	-	10,000	10,000	10,000
	Carr-Gregory Trust	-	51,757	51,757	-
	Joan Hawkins	-	30,000	30,000	-
	Clark Foundation	-	25,000	25,000	-
	Ibstock Enover Trust	-	14,186	14,186	-
	Pilgrim Trust	-	15,000	15,000	-
	DAC Beachcroft	-	5,000	5,000	5,000
	The Kenny Family	-	42,000	42,000	21,834
	Mary Prior CVO MBE and John Prior	-	12,500	12,500	14,582
	Dr Geoff and Jenny Sharman	-	18,750	18,750	18,750
	John and Kimberly Vasey	-	5,000	5,000	5,000
	Bristol City Council	7,200	-	7,200	9,600
	Government Covid-19 schemes	3,221	-	3,221	132,583
	Sponsorship	6,000	-	6,000	11,054
		47,077	2,709,346	2,756,423	1,185,611

The comparative data for this note can be found in note 20.

3	Income from charitable activities	2022	2021
		£	£
	Exhibitions and events	113,356	103,660
	Gift Shop	1,482	10,824
	Drawing School and learning activities	57,441	75,227
	Rental of Art School premises	89,045	110,154
		261,324	299,865
4	Other trading activities	2022	2021
		£	£
	SGS service charge	15,690	20,920
	Hire of Galleries and other activities	12,363	32,459
		28,053	53,379

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
9 MONTHS ENDED 31 MARCH 2022

5	Investments	Unrestricted funds	Restricted funds	Total funds 2022	Total funds 2021
		£	£	£	£
	Dividends and other distributions	-	7,060	7,060	13,229
	Bank interest	-	11	11	60
		-	7,071	7,071	13,289

The comparative data for this note can be found in note 21.

6 Net Income for the period

This is stated after charging:

	2022	2021
	£	£
Auditor's remuneration	7,240	6,808
Depreciation of tangible fixed assets	8,915	13,034

No Trustee received any remuneration, or expenses, as a Trustee during 2022 or 2021. Donations from Trustees and related parties during the year amounted to £5,300 (2021 - £13,250).

7 Staff costs and numbers

Staff costs comprise:

	2022	2021
	£	£
Wages and salaries	274,145	393,250
Social security costs	24,006	27,588
Pension contributions	7,781	10,593
	305,932	431,431

One employee received emoluments between £60,000 and £62,499 pro-rata (2021 - 1). The key management personnel comprise the Trustees, the Director, Director of Operations and the Heads of Development and Programme. The total employee benefits of the key management personnel were £142,334 (2021 - £179,750).

The average headcount of staff during the year was as follows:

	2022	2021
	No.	No.
Gallery	5	14
Learning	3	3
Support	6	6
Total	14	23

A high proportion of the RWA's staff are part-time.

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
9 MONTHS ENDED 31 MARCH 2022

8 Analysis of expenditure

	Direct costs	Support costs	Total 2022	Total 2021
	£	£	£	£
On raising funds				
Fundraising costs Including investment management fees	52,294	-	52,294	73,870
Other trading costs	1,771	-	1,771	11,385
	54,065	-	54,065	85,255
On charitable activities				
Exhibitions, events and related activities	104,617	210,269	314,886	470,992
Drawing school and Learning activities	133,915	50,159	184,075	187,917
	238,532	260,428	498,960	658,909
Total expenditure	292,598	260,428	553,026	744,164

The comparative data for this note can be found in note 22.

9 Analysis and allocation of support costs

Support costs:

	Staff	General Office	Total 2022	Total 2021
	£	£	£	£
Raising funds	-	-	-	3,160
Charitable activities				
Exhibitions	68,737	141,532	210,269	249,458
Drawing School and learning activities	35,051	15,108	50,159	26,419
	103,788	156,640	260,428	279,037

Staff costs have been apportioned on the basis of the estimated time spent on the various activities and the estimated use of other resources.

Support costs in respect of charitable activities include governance costs totalling £6,750 (2021 - £6,763).

The comparative data for this note can be found in note 23.

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
9 MONTHS ENDED 31 MARCH 2022

10 Tangible fixed assets

	Freehold property £	Assets Under construction £	Furniture and equipment £	Total £
Cost				
At 1 July 2021	4,570,000	341,568	135,035	5,046,603
Additions for period	-	3,002,763	4,173	3,006,936
Disposals	-	-	(7,771)	(7,771)
At 31 March 2022	4,570,000	3,344,331	131,437	8,045,768
Depreciation				
At 1 July 2021	-	-	111,862	111,862
Disposals	-	-	(7,771)	(7,771)
Charge for the period	-	-	8,915	8,915
At 31 March 2022	-	-	113,006	113,006
Net book value				
At 31 March 2022	4,570,000	3,344,331	26,202	7,932,762
At 31 June 2021	4,570,000	341,568	23,173	4,934,741

Freehold property as at 31 March 2022 is stated at a depreciated replacement cost of £4,570,000 based on a valuation carried out by Alder King, Property Consultants, as at 30 June 2014. This amount also includes £870,000 in respect of land originally endowed in 1852 to the Bristol Academy for the Promotion of Fine Arts, the forerunner of the RWA. The amount shown under assets under construction reflects the costs incurred to date as part of the capital project. Once the project is completed, these costs will be allocated to the appropriate category (either Freehold property or equipment) and if appropriate, will then be depreciated in line with the stated policy.

The Trustees of the National Heritage Memorial Fund hold a legal charge (to a maximum of £1,723,600 plus costs) over the freehold property in respect of their financial contribution to the RWA Light and Inspiration project (£1,373,600 dated 2nd November 2020) and the RWA Appeal (£350,000).

11 Investments	2022 £	2021 £
Unlisted investments	1	1
Listed investments	419,004	503,505
Cash investments	13,656	290,356
	<u>432,661</u>	<u>793,862</u>
Listed investments		
Market value at 1 July 2021	503,505	709,168
Additions at cost	18,112	40,561
Disposal proceeds	(80,868)	(333,378)
Investment (losses)/gains	(21,745)	87,154
Market value at 31 March 2022	<u>419,004</u>	<u>503,505</u>
Historical cost	<u>320,224</u>	<u>364,488</u>

The charity has a subsidiary company called RWA Trading Limited (company number 07647695), registered in England & Wales with a share capital of £1. The company remains dormant.

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
9 MONTHS ENDED 31 MARCH 2022

12 Heritage assets - Works of Art

As mentioned in note 1 the bulk of the Academy's permanent collection was acquired many years ago and has never been included in the RWA's balance sheet due to lack of information in relation to its original cost or value at the time of donation or bequest. In the opinion of the Trustees it would be both difficult and costly to attribute an appropriate value to the collection.

The RWA's permanent collection consists of over 1300 works of art including works on paper, oil, acrylics, sculpture, and architectural models. It comprises fine examples of portraiture, landscapes, still life, abstract and figurative work predominately by South West artists.

A small but significant group of 19th Century work relates to the period of RWA's establishment some of which were acquired by the virtue of the Sharples bequest in 1849. A recent requirement that all newly elected RWA Academicians must donate a diploma work to the collection adds a continuing contemporary element to the collection.

Whilst no expenditure was incurred on additions to the collection in either 2022 or 2021, a number of diploma works were donated to the Academy.

Works of art of particular importance

The most substantial group of around 900 works bought since 1941 includes significant works by major 20th Century artists including Vanessa Bell, Duncan Grant, Dod Procter, Gilbert Spencer, Carel Weight, Mary Fedden, Julian Trevelyan and Anne Redpath. This is an important body of work by a range of artists with close connections with Bristol and the West of England post-1941 and includes paintings, drawings, prints and sculpture.

Preservation and management

Environmental conditions within the permanent collection store are continually monitored to ensure that the works are kept at temperature and humidity levels based on museum working practice.

An assessment of remedial conservation requirements has been undertaken and a number of works have been subject to remedial and preventive conservation work covered by funding from the Heritage Lottery Fund and the Association of Independent Museums.

The RWA maintains a register of accessions, movements and de-accessions for the permanent collection.

13 Stocks	2022	2021
	£	£
Gift shop stock, including books, catalogues and prints	7,020	9,985
14 Debtors	2022	2021
	£	£
Trade debtors	10,101	5,433
Other debtors	49,419	317
Taxation (VAT)	60,389	-
Prepayments and accrued income	20,334	64,019
	140,243	69,769
15 Creditors: Amounts falling due within 1 year	2022	2021
	£	£
Trade creditors	105,103	25,109
Other creditors	10,823	37,020
Taxation and social security	9,257	7,653
Accruals and deferred income	796,949	229,672
	922,132	299,454

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
9 MONTHS ENDED 31 MARCH 2022

16	Reconciliation of net movement in funds to net cash flow from operating activities	2022	2021	
		£	£	
	Net movement in funds for the year	2,478,101	895,134	
	Losses/(gains) on investments	21,745	(87,154)	
	Depreciation	8,915	13,034	
	Investment income	(7,071)	(13,289)	
	Decrease in stock	2,965	2,796	
	(Increase) in debtors	(70,474)	(9,274)	
	Increase in creditors	622,678	192,036	
	Net cash inflow from operating activities	3,056,860	993,283	
	Analysis of changes in cash during the year	Change	2022	2021
		£	£	£
	Cash at bank and in hand	396,451	1,389,434	992,983
	Cash in the investment portfolio	(276,700)	13,656	290,356
		119,751	1,403,090	1,283,339

17	Funds	At 1 July 2021	Income	Expenditure	Transfer	Investment gains/(losses)	At 31 March 2022
		£	£	£	£	£	£
	Endowment funds						
	The Theresa Knowles Scholarship	21,021	-	-	-	658	21,679
	Endowed freehold property	4,570,000	-	-	-	-	4,570,000
		4,591,021	-	-	-	658	4,591,679
	Restricted funds						
	The Mrs AA Talboys Bequest	835,858	6,338	(9,468)	(265,000)	(22,403)	545,325
	The Theresa Knowles Scholarship	8,300	733	-	-	-	9,033
	Other funds relating to:						
	- premises and equipment	4,368	-	-	-	-	4,368
	- learning	468	5,225	(5,225)	-	-	468
	- business	731	-	-	-	-	731
	ACE Cultural Recovery Fund	-	103,900	(103,900)	-	-	-
	L & I capital project	875,833	2,600,221	(122,016)	265,000	-	3,619,038
		1,725,558	2,716,417	(240,609)	-	(22,403)	4,178,963
	Unrestricted general funds	58,356	320,765	(308,556)	-	-	70,565
	Unrestricted designated funds:						
	- SGS service charge	9,849	15,690	(3,861)	-	-	21,678
	- Post L & I	117,102	-	-	-	-	117,102
	Total funds	6,501,886	3,052,872	(553,026)	-	(21,745)	8,979,987

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
9 MONTHS ENDED 31 MARCH 2022

17 Funds (continued)

The Theresa Knowles Scholarship

This endowment fund was established to generate income for an artist to study art in Italy. The investment income arising on the fund is credited to the restricted fund in her name.

Endowed property

The endowed property comprises the RWA building, erected in 1858 as a public art gallery and art school, on land acquired for that purpose by the then Bristol Academy of Fine Art, with funds including the Ellen Sharples bequest.

Mrs AA Talboys Bequest

This restricted fund derives from a bequest by Mrs Talboys in 1918. The bequest, as subsequently amended, established an endowment fund and provided that the income should be used for the purchase of art and, in certain circumstances, for the upkeep and maintenance of the RWA and its permanent collection. During 2014 the Charity Commission concurred with a Trustees' resolution that the endowment fund be freed from the restrictions that applied to it with respect to expenditure. As a consequence, the funds of the Mrs AA Talboys Bequest were classified as restricted funds. The expenditure of £9,468 in the year charged to the Mrs AA Talboys Bequest comprises £6,338 of expenditure in relation to property costs and £3,130 of investment fund management fees.

Other restricted funds

Other restricted funds relate to grants and donations received for specific purposes. The L & I capital project relates to income raised in respect of the project and expenditure that can not be capitalised such as expenditure relating to activities, evaluation and fundraising. The ACE Cultural Recovery Fund was a scheme provided by Arts Council England for cultural organisations cultural organisations which demonstrated the financial need for further funding in order to be able to operate on a viable and sustainable basis by 31 March 2022.

Unrestricted designated funds

There are two unrestricted designated funds. The first relates to the service charge income received from SGS, which the Trustees have determined will only be used in respect of relevant maintenance expenditure. The second fund has been created to support the organisation through its planned L & I capital project closure period and re-opening.

The comparative data for this note can be found in note 24.

18 Allocation of net assets

	Fixed Assets £	Investments £	Cash and other liabilities £	Intra fund Loan £	Total 31 March 2022 £
Endowment funds					
The Theresa Knowles Scholarship	-	21,679	-	-	21,679
Endowed freehold property	4,570,000	-	-	-	4,570,000
	4,570,000	21,679	-	-	4,591,679
Restricted funds					
The Mrs AA Talboys Bequest	-	410,981	37,844	96,500	545,325
The Theresa Knowles Scholarship	-	-	9,033	-	9,033
Other funds relating to:-					
- premises and equipment	-	-	4,368	-	4,368
- learning	-	-	468	-	468
- business	-	-	731	-	731
- L & I capital project	3,354,499	-	334,539	(70,000)	3,619,038
	3,354,499	410,981	386,983	26,500	4,178,963
Unrestricted general funds	8,263	1	88,801	(26,500)	70,565
Unrestricted designated funds	-	-	138,780	-	138,780
Total funds	7,932,762	432,661	614,564	-	8,979,987

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
9 MONTHS ENDED 31 MARCH 2022

19 Prior year comparatives

Statement of financial activities

	Note	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Income from:						
Donations and legacies	2	205,611	-	980,000	-	1,185,611
Charitable activities	3	299,865	-	-	-	299,865
Other trading activities	4	32,459	20,920	-	-	53,379
Investments	5	-	-	13,289	-	13,289
Total income		537,935	20,920	993,289	-	1,552,144
Expenditure on:						
Charitable activities	8	465,935	-	192,974	-	658,909
Raising funds	8	63,559	-	21,696	-	85,255
Total expenditure		529,494	-	214,670	-	744,164
Gain/(loss) on Investments	11	-	-	83,698	3,456	87,154
Net income being net movement in funds	6	8,441	20,920	862,317	3,456	895,134
Transfer between funds		9,398	(9,398)	-	-	-
		17,839	11,522	862,317	3,456	895,134
Total funds at 1 July 2020	17	40,517	115,429	863,241	4,587,565	5,606,752
Total funds at 30 June 2021	17	58,356	126,951	1,725,558	4,591,021	6,501,886

ROYAL WEST OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

9 MONTHS ENDED 31 MARCH 2022

20 Prior year comparatives

Donations and legacies

	Unrestricted funds £	Restricted Funds £	Total funds 2021 £
<i>Donations and grants:</i>			
Patrons and Friends of the RWA	40,778	109,249	150,027
Other donations and Gift Aid	11,596	35,044	46,640
Arts Council England	-	152,596	152,596
Garfield Weston Foundation	-	150,000	150,000
Foyle Foundation	-	100,000	100,000
National Lottery Heritage Fund	-	121,233	121,233
Nisbet Trust	-	50,000	50,000
Linbury Trust	-	50,000	50,000
Other capital donations	-	71,878	71,878
Bristol Port Company	-	50,000	50,000
29 th May Trust	-	35,000	35,000
Society of Merchant Venturers	-	25,000	25,000
Swire Foundation	-	20,000	20,000
Pople Trust	-	10,000	10,000
Bristol City Council	9,600	-	9,600
Government Covid-19 schemes	132,583	-	132,583
Sponsorship	11,054	-	11,054
	205,611	980,000	1,185,600

21 Prior year comparatives

Investments

	Unrestricted funds £	Restricted funds £	Total funds 2021 £
Dividends and other distributions	-	13,229	13,229
Bank interest	-	60	60
	-	13,289	13,289

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
9 MONTHS ENDED 31 MARCH 2022

22 Prior year comparatives
Analysis of expenditure

	Direct costs £	Support costs £	Total 2021 £
On raising funds			
Fundraising costs including investment management fees	73,870	-	73,870
Other trading costs	11,385	-	11,385
	<u>85,255</u>	<u>-</u>	<u>85,255</u>
On charitable activities			
Exhibitions, events and related activities	214,272	256,720	470,992
Drawing school and Learning activities	161,042	26,875	187,917
Development phase – L & I project	-	-	-
	<u>375,314</u>	<u>283,595</u>	<u>658,909</u>
Total expenditure	<u>460,569</u>	<u>283,595</u>	<u>744,164</u>

23 Prior year comparatives
Support costs:

	Staff £	General Office £	Total 2021 £
Raising funds	-	3,160	3,160
Charitable activities			
Exhibitions	111,712	137,746	249,458
Drawing School and learning activities	12,412	14,007	26,419
	<u>124,124</u>	<u>154,913</u>	<u>279,037</u>

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
9 MONTHS ENDED 31 MARCH 2022

24 Prior year comparatives

Funds	At 1 July 2020 £	Income £	Expenditure £	Transfer £	Investment gains/(losses) £	At 30 June 2021 £
Endowment funds						
The Theresa Knowles Scholarship	17,565	-	-	-	3,456	21,021
Endowed freehold property	4,570,000	-	-	-	-	4,570,000
	4,587,565	-	-	-	3,456	4,591,021
Restricted funds						
The Mrs AA Talboys Bequest	757,583	12,203	(17,626)	-	83,698	835,858
The Theresa Knowles Scholarship	7,214	1,086	-	-	-	8,300
Other funds relating to:						
- premises and equipment	4,368	-	-	-	-	4,368
- learning	468	5,840	(5,840)	-	-	468
- business	731	-	-	-	-	731
- exhibitions	-	9,200	(9,200)	-	-	-
Emergency Funding	-	177,133	(127,133)	(50,000)	-	-
L & I capital project	92,877	787,827	(54,871)	50,000	-	875,833
	863,241	993,289	(214,670)	-	83,698	1,725,558
Unrestricted general funds	40,517	537,935	(529,494)	9,398	-	58,356
Unrestricted designated funds:						
- SGS service charge	38,929	20,920	-	(50,000)	-	9,849
- L & I closure period	76,500	-	-	40,602	-	117,102
Total funds	5,606,752	1,552,144	(744,164)	-	87,154	6,501,886

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
9 MONTHS ENDED 31 MARCH 2022

25 Prior year comparatives
Allocation of net assets

	Fixed Assets	Investments	Cash and other liabilities	Intra fund Loan	Total 30 June 2021
	£	£	£	£	£
Endowment funds					
The Theresa Knowles Scholarship	-	21,021	-	-	21,021
Endowed freehold property	4,570,000	-	-	-	4,570,000
	<u>4,570,000</u>	<u>21,021</u>	<u>-</u>	<u>-</u>	<u>4,591,021</u>
Restricted funds					
The Mrs AA Talboys Bequest	-	772,840	35,018	28,000	835,858
The Theresa Knowles Scholarship	-	-	8,300	-	8,300
Other funds relating to:-					
- premises and equipment	-	-	4,368	-	4,368
- learning	-	-	468	-	468
- business	-	-	731	-	731
- L & I capital project	356,491	-	519,342	-	875,833
	<u>356,491</u>	<u>772,840</u>	<u>568,227</u>	<u>28,000</u>	<u>1,725,558</u>
Unrestricted general funds	8,250	1	78,105	(28,000)	58,356
Unrestricted designated funds	-	-	126,951	-	126,951
Total funds	<u>4,934,741</u>	<u>793,862</u>	<u>773,283</u>	<u>-</u>	<u>6,501,886</u>

26 Related Party transactions

There were no related party transactions.

27 Light and Inspiration Project

A settlement agreement was reached with the contractor, Beard construction at the end of May 22 in respect of costs relating to the project. The total amount of £3,450,000 was higher than the fundraising income, despite success with applying for top up funding, an additional crowdfunder and using additional funding from our reserves. An application was made to the National Heritage Lottery Fund in respect of the shortfall and confirmation was received in July 22 that they would contribute a further £248,823 to ensure that all costs relating to the project would be covered.

28 Controlling party

Being a company limited by guarantee the charity is controlled by its members. The members are the directors of the company and each member's liability is limited to £1. The Board does not consider that any one member has control over the company.

The following pages are not part of the financial pages and are therefore not covered by the audit report found on pages 1-16.

ROYAL WEST OF ENGLAND ACADEMY

STAFF, ACADEMICIANS' COUNCIL AND SUPPORTERS

Staff

Director – Alison Bevan

Director of Operations – Nicola Prosser

Head of Development – Kate Foster

Head of Learning and Engagement – Helen Jacobs

Head of Programme & Exhibitions Curator – Nathalie Levi

Drawing School Manager – Sophie Bristol (maternity leave) & Sarah Craig

Learning & Participation Assistant – Ellen Pye

Facilities Manager – Ben Rowe

Digital Content curator – Eleanor Hardiman

Visitor Experience Manager – Tom Tanner

Visitor Experience Supervisors – Steph Garrett, Laura Hatfield, Janine Pilch

Refqil co-ordinator – Harriet Peacock

Volunteer Supervisor – Ellika Larsson

Assistant curator – Olive Haigh

Curatorial Technician – Tristan Pollard

Events Manager – Ella Bleszynska

Relationship Manager – Grace Hannell

Finance Assistant – Rosie Oliver

Front of House and Events Assistants:

Sarah Currie, Gill Elcoate, Megan Harnedy, Oliver Hawes, Sienna Wells, Medi Jones Williams, Kariss Young

Academicians' Council

President: Fiona Robinson PRWA

Vice President: Dallas Collins VPRWA

Secretary: Rosalind Robinson RWA

Council Members:

Lucy Austin RWA

Leslie Glenn Damhus RWA

Dorcan Casey RWA

Seyed Edalatpour RWA

Tom Russell RWA

Laurie Steen RWA

Hamish Young RWA

Patrons

GOLD

Linda & Russ Carr Hon RWA
Joan Hawkins Trust
The Kenny family
Andrew & Anne Nisbet
Peter Stoppard OBE, Hon RWA
John & Kimberly Vasey
Joanna & Charles Wyld

SILVER

Kathy & Chris Curling
Jill & Colin Dunmore
Lisa & Pes Freeland
Roger & Judy Gallannaugh
Kathleen & Professor Paul Gough RWA MA(RCA) PHD FRSA
The Hughes Family
Timothy & Judith Lockwood Jones
Effie & Michael Romain
Geoff & Jenny Sharman
Sir James & Lady Tidmarsh
Charlotte Waelde

BRONZE

Nick & Tara Arkle
Yvonne Ashton
John Bedford
Norman Biddle
Anon
Anon
Nancy Chambers

Jerry & Annette Cowhig
Maria Crayton
Edward & Maire Cussen
Ann & Bryan Fawcett
Sian Flynn
John & Heather Frenkel
Tony Gordon
Martin & Jane Griffiths
Steven Hall
Ajith Jayawickrema
Cameron & Ros Kennedy
Ian Learner
Caroline Lucas
Matthey Maneely

Bridget McCrum RWA

Chris & Cate Mitchell
Terence Mordaunt
Deborah Murphy
Carole & Andrew Nicholls
Veronica Northam
Mary & John Prior
Simon Quadrat PPRWA
Jenny Russell
Dee Smart Hon RWA
Professor Derek Smith
Gill & Guy Stobart
Georgia & Ben Tivadar
Helen & Peter Wilde
Andrew & Rosemarie Yates