

Annual Report of Kingsgate Workshops Trust

Annual Report and Accounts 2021

KINGSGATE WORKSHOP TRUST

Trustees' annual report

For the year ended 31 December 2021

Chair's foreword

The impact of the pandemic continues to be felt beyond the immediate periods of nationwide 'lockdowns and this year was a time of cautious return to pre-2020 activities, informed and affected by the experience of those restrictions. Under the continued leadership of Dan Howard-Birt, Kingsgate began once again to carefully facilitate a collegiate, friendly and supportive environment for artists and craft makers within the building as well as new creative opportunities for the wider community to create and engage with ambitious and innovative exhibitions and events. Welcoming visitors back to Kingsgate to engage with workshops, open studios and exhibitions brought great reward. Our public programme provided opportunities for 117 artists to extend their professional networks through residencies, new commissions and exhibitions. Coming out of a period of restricted activity this is a tremendous success.

Kingsgate's location and its growing profile and reputation mean that it is an increasingly popular place for artists and makers. Studio occupancy remained high and demand for safe a secure workshop spaces is unaffected by the impact of the pandemic. Improving the outside space through the construction of an accessible, decked area has created a safe meeting place for studio users and visitors alike.

I am particularly grateful to our small but dedicated staff team who manage such an exciting and diverse programme with very limited resources, as well as to my fellow trustees who continue to voluntarily support Kingsgate's work with their time and expertise.



Spirit de la Mare
Chair

Date: 19/10/2022

KINGSGATE WORKSHOP TRUST

Trustees' annual report

For the year ended 31 December 2021

About Kingsgate Workshops

Kingsgate Workshops Trust is a registered charity which promotes the arts and art activities through the provision of studio spaces and a public programme.

Kingsgate Workshops is a unique affordable studio provider that houses dedicated provision for artists and designer-makers. The Trust owns and operates a large Victorian warehouse building which contains 51 studio spaces which are let to a wide range of artists and craftspeople.

Kingsgate also has a developing public programme, including supporting emerging artists, offering them the space and opportunities to make and show new work, through our 'Artists in Residence' programme.

About the Trust

The Trust Board is made up of individuals who volunteer to give their time to support the development of Kingsgate Workshops. They come from a variety of backgrounds bringing a range of knowledge and expertise to the work of the Trust. In 2021 the Trustees were:

Spirit De La Mare (chair)
Tamsin Clark
Graham Martin
Holly Graham (from March 2021)
Alison Taylor

The Director of Kingsgate Workshops is Dan Howard-Birt. Dan works with a small staff team to manage the Workshops, develop the artistic programme and administer the Trust.

Highlights of the year

Developing the artistic vision

As 'lockdowns' and other restrictions on public activities gradually relaxed, Kingsgate was able to re-start its public-facing programme of exhibitions and events from the Project Space. This series of activities was able to deliver projects planned (and postponed) in 2020 as well as new projects relating to the changing social context of the pandemic and its influence on art making and exhibition visiting. One exhibition project delayed from 2020 will be realised in 2022.

In 2021:

- Kingsgate invited Letchworth-based curator Kristian Day to share his networks by organising an exhibition. ***Come to Naught*** featured recent graduates based in Falmouth, Hull, Glasgow, Letchworth and London.
- 2020's postponed solo exhibitions by **Nina Royle** and **Matthew de Kersaint Girdaudeau** (Kingsgate artist-in-residence 2019-20) were mounted.
- Kingsgate artist-in-residence 2015, **Victoria Adam** was invited back to curate an exhibition expanding on the research which informs her own practice. The exhibition ***Indefinite Bower**** was co-curated by perfume historian **Pascale Cumming-Benson** and included artists based in Glasgow, Berlin, London and Barnstaple.

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- Questioning the impact of the restrictions on public gatherings through 2020's 'lockdowns' and the growing reliance on digital technologies, including social media, to engage with painting, **80 painters** from across the UK were invited to take part in a busy, celebratory, real-space group exhibition.

- New billboard artworks were commissioned by recent graduates **Lydia Hamblet**, **Ella Belenky** and **Jasmine Pajdak** as well as New York-based **Ye Qin Zhu**, Athens-based **Sofia Stevi** and St Leonards-on-Sea-based duo **Maslen & Mehra**.

- Kingsgate Project Space continued to host the micro-project space **millimetre02** (group exhibitions in a single picture frame). **millimetre** exhibited small works by **15 artists** in 2021

Studio Holder events

2 Kingsgate studio holders took part in Crafts Council's (online) **Hey Craft!** programme of workshops in May.

14 studio holders opened their studios to the public for our annual summer **Open Studios** event in July.

25 studio holders opened their studios to the public for a second **Open Studios** event, in association with **London Craft Week 2021** in October. 13 workshops led by Kingsgate's artists and makers took place in the Project Space.

Improving workshop spaces

Responding to the need for safe outdoor social space, in May a new decked area in the Yard was created by previous artist-in-residence Harry Lawson. This space is accessible for wheelchairs and transforms the unloved yard into a comfortable place for studio users to meet and to take lunch, and for visitors to the Project Space to step out of the gallery in the event of overcrowding.

A major upgrade to the communal Wi-Fi was completed, including moving from 'copper cable' supply to 'fibre optic' directly into the building. One impact of Covid-related 'lockdowns' was an increased reliance on *Zoom*, *Teams* and other video conferencing platforms as well as digital exhibitions, shops, events and networking socials. This upgrade increased bandwidth and erased all Wi-Fi 'blackspots' within the building.

The threat of future 'lockdowns' and possible further underuse of Kingsgate's building led to a decision to bring forward and upgrade the Fire Alarm system. This work was completed in October.

Security is a key concern at Kingsgate, to avoid the main doors being left open and unattended a new door entry system was installed.

Studio occupancy

Ill health led to 2 studios being vacated. The license on a painting studio was taken by (previous 'sharer' in another studio) Lee Matthews. The license on a ceramics studio was taken by (that studio's existing 'sharer') Dana Lazarus-Cass.

KINGSGATE WORKSHOP TRUST

Trustees' annual report

For the year ended 31 December 2021

Financial overview

No increase in Licence Fee was enacted in 2021. All licensees who were given permission to deplete their studio deposits in order to support license fee payments through the Covid-affected period have subsequently repaid those deposits. Income was at £302,336 in 2021 (£328,187 in 2020).

The Trust continued to make good progress in repaying its outstanding mortgage on the Workshop premises at 110-116 Kingsgate Road.

Full details can be found in the audited financial statements appended to this report.

Staffing

In July 2021, Administrator & Studio Programme Manager Helen Scibilia left the organisation and Lydia Brockless was recruited into that role.⁴

In September 2021, Programme & Gallery Assistant, Mary Macken Allen reduced her contracted hours from 0.6FTE to 0.4FTE to allow her to undertake a 1-year post graduate painting course.

In November 2021, and following 12-month maternity leave, Public Programme Curator Ellie Davies left Kingsgate. This vacancy was not filled at this time.

Jeno Davies became a freelance technician to manage exhibition installations and day-to-day repairs throughout the studios building.

There were no further changes to staffing.

Remuneration Policy

The pay of the senior staff is reviewed annually. The charitable trust pays staff a fair salary that is competitive with the charity sector, proportionate to the complexity of each role, and in line with our charitable objectives. All staff pay is reviewed and decided upon by the board of trustees on an annual basis.

Signed on behalf of the Board of Trustees by:

Spirit de la Mare



Chair

Date: 19/10/2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

KINGSGATE WORKSHOP TRUST

For the year ended 31 December 2021

I report to the trustees on my examination of the accounts of the Kingsgate Workshop Trust for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



Anthony Epton BA FCA CTA FCIE
Goldwins
Chartered accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

Date: 25/10/2022

Kingsgate Workshop Trust
Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

		Unrestricted Funds	Restricted Funds	2021 Total Funds	2020 Total Funds
	Note	£	£	£	£
Income from:					
Donations and legacies	3	513	-	513	10
Charitable activities	4	298,769	2,872	301,641	328,123
Investment income	5	182	-	182	54
Total income		299,464	2,872	302,336	328,187
Expenditure on:					
Charitable activities	6	259,627	2,872	262,499	249,775
Total expenditure		259,627	2,872	262,499	249,775
Net income for the year	7	39,837	-	39,837	78,412
Transfers between funds		-	-	-	-
Net movement in funds		39,837	-	39,837	78,412
Reconciliation of funds:					
Total funds brought forward		224,754	128,428	353,182	274,770
Total funds carried forward		264,591	128,428	393,019	353,182

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

The attached notes form part of the financial statements.

Kingsgate Workshop Trust
Balance sheet
As at 31 December 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets:					
Tangible assets	11		480,988		490,614
Current assets:					
Debtors	12	8,763		10,272	
Cash at bank and in hand		128,260		112,798	
		<u>137,023</u>		<u>123,070</u>	
Liabilities:					
Creditors: amounts falling due within one year	13	<u>103,468</u>		<u>95,591</u>	
Net current assets			<u>33,555</u>		<u>27,479</u>
Total assets less current liabilities			514,543		518,093
Liabilities:					
Creditors: amounts falling due after one year	14		<u>121,524</u>		<u>164,911</u>
Total net assets			<u>393,019</u>		<u>353,182</u>
Funds	16				
Restricted funds			128,428		128,428
Unrestricted funds:					
General funds		<u>264,591</u>		<u>224,754</u>	
Total unrestricted funds			<u>264,591</u>		<u>224,754</u>
Total funds			<u>393,019</u>		<u>353,182</u>

Approved by the trustees on 19/10/2022.
and signed on their behalf by:



Spirit de la Mare
Chair

The attached notes form part of the financial statements.

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 - effective 1 January 2015) - (Charities SORP FRS 102).

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Charities SORP FRS 102 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 (SORP 2005) which has since been withdrawn.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Going concern

The trustees consider that there are no material uncertainties despite the impact of COVID-19 about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

d) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

1 Accounting policies (continued)

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise of trading costs and the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services and other activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 6.

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

~ Leasehold building	2 % per annum
Fixtures, Fittings and Equipment	20 % per annum

j) Debtors

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

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

l) Creditors and provisions

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

Kingsgate Workshop Trust
Notes to the financial statements
For the year ended 31 December 2021

2 Detailed comparatives for the statement of financial activities

	Unrestricted funds	Restricted funds	2020 Total funds
	£	£	£
Income from:			
Donations and legacies	10	-	10
Charitable activities:	302,279	25,844	328,123
Other income	54	-	54
Total income	302,343	25,844	328,187
Expenditure on:			
Charitable activities:	223,931	25,844	249,775
Total expenditure	223,931	25,844	249,775
Net income before gains / (losses) on investments	78,412	-	78,412
Net gains / (losses) on investments	-	-	-
Net income	78,412	-	78,412
Transfers between funds	-	-	-
Net income before other recognised gains and losses	78,412	-	78,412
Net movement in funds	78,412	-	78,412
Total funds brought forward	146,342	128,428	274,770
Total funds carried forward	224,754	128,428	353,182

3 Income from donations and legacies

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Donations	513	-	513	10
	513	-	513	10

4 Income from charitable activities

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Income earned from charitable activities				
Grants				
Art Council	-	2,872	2,872	25,844
Culture at Risk CLT grant	-	-	-	13,520
Licence fee income	272,596	-	272,596	269,165
Licence recharges	21,939	-	21,939	17,349
Hire of education building	1,695	-	1,695	69
Shop sales	2,538	-	2,538	2,176
Total income from charitable activities	298,769	2,872	301,641	328,123

5 Income from Investments

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Bank interest	182	-	182	54
	182	-	182	54

Kingsgate Workshop Trust
Notes to the financial statements
For the year ended 31 December 2021

6(a) Analysis of expenditure- Current year

	Charitable activities £	2021 Total £	2020 Total £
Staff costs	88,074	88,074	99,801
Direct cost			
Grants awarded	-	-	13,020
Education project	3,881	3,881	1,121
Gallery and studio cost	1,044	1,044	197
Residency running cost	28,135	28,135	15,287
Events Prog Management	675	675	1,750
Research & development	2,017	2,017	1,537
Support costs			
Rent and rates	11,032	11,032	10,499
Insurance	14,701	14,701	13,721
Light and heat	25,103	25,103	21,607
Repair and maintenance	24,703	24,703	15,201
Travelling and subsistence	496	496	281
Cleaning and waste	6,833	6,833	4,404
Printing, postage and stationary	467	467	1,167
Advertising	1,300	1,300	536
Telephone/IT supports	12,795	12,795	10,537
Trsutee meeting expenses	64	64	50
Depreciation	16,169	16,169	15,074
Accountancy fees	7,125	7,125	5,266
Independent examiner fees	3,960	3,960	3,700
Sundry	1,182	1,182	65
Loan interest for the year	11,320	11,320	13,679
Bank charges and interests	1,423	1,423	1,275
Total expenditure 2021	262,499	262,499	249,775
Total expenditure 2020	249,775	249,775	

Of the total expenditure, £259,627 were unrestricted (2020: £223,931) and £2,872 were restricted (2020: £25,844).

Kingsgate Workshop Trust
Notes to the financial statements
For the year ended 31 December 2021

6(b) Analysis of expenditure- Prior year

	Charitable activities £	2020 Total £	2019 Total £
Staff costs	99,801	99,801	101,542
Direct cost			
Grants awarded	13,020	13,020	-
Education project	1,121	1,121	8,322
Gallery and studio cost	197	197	2,549
Residency running cost	15,287	15,287	25,644
Events Prog Management	1,750	1,750	10,529
Research & development	1,537	1,537	5,693
Support costs			
Rent and rates	10,499	10,499	11,433
Insurance	13,721	13,721	13,220
Light and heat	21,607	21,607	26,654
Repair and maintenance	15,201	15,201	15,561
Travelling and subsistence	281	281	2,076
Cleaning and waste	4,404	4,404	8,209
Printing, postage and stationary	1,167	1,167	3,348
Advertising	536	536	1,565
Telephone/IT supports	10,537	10,537	5,352
Trsutee meeting expenses	50	50	390
Depreciation	15,074	15,074	15,167
Audit & accountancy fees	8,966	8,966	8,817
Sundry	65	65	277
Loan interest for the year	13,679	13,679	15,849
Loan interest for the year		-	-
Bank charges and interests	1,275	1,275	1,345
Total expenditure 2020	<u>249,775</u>	<u>249,775</u>	<u>283,542</u>

Kingsgate Workshop Trust
Notes to the financial statements
For the year ended 31 December 2021

7 Net income for the year

This is stated after charging / crediting:

	2021	2020
	£	£
Independent Examiner's Fees net of VAT	3,300	3,083
Depreciation	16,169	15,074

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021	2020
	£	£
Salaries and wages	75,300	91,934
Social security costs	717	1,865
Pension contributions	1,262	1,510
Freelance staff	9,018	733
Other staff costs	1,777	3,759
	88,074	99,801

The total employee benefits including pension contributions of the key management personnel were £25,068 (2020: £21,275).

No employees earned more than £60,000 per annum.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

No trustees received any payment or reimbursement of travel and subsistence costs.

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021	2020
	No.	No.
Charitable activity	7	7
	7	7

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Kingsgate Workshop Trust
Notes to the financial statements
For the year ended 31 December 2021

11 Tangible fixed assets

	Long Leasehold	Fixtures, fittings & equipment £	Total £
Cost			
At the start of the year	700,292	24,228	724,520
Additions in year	-	6,543	6,543
Disposals in year	-	-	-
At the end of the year	700,292	30,771	731,063
Depreciation			
At the start of the year	213,952	19,954	233,906
Charge for the year	14,006	2,163	16,169
Eliminated on disposal	-	-	-
At the end of the year	227,958	22,117	250,075
Net book value			
At the end of the year	472,334	8,654	480,988
At the start of the year	486,340	4,274	490,614

12 Debtors

	2021 £	2020 £
Trade debtors	8,763	10,272
	8,763	10,272

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Taxation & social security	911	1,495
Accruals	3,960	3,700
Bank loan	42,382	39,916
Trade creditors	11,898	6,694
Other creditors	44,317	43,786
	103,468	95,591

14 Creditors: amounts falling due after one year

	2021 £	2020 £
Bank loans > 1 year	121,524	164,911
	121,524	164,911

Bank loans totalling £163,906 (2020: £204,827) are secured against long leasehold property and repayable by 11 February 2025. Loan 1 has a 6.15% fiscal interest rate and the other 5.93%.

Kingsgate Workshop Trust
Notes to the financial statements
For the year ended 31 December 2021

15(a) Analysis of net assets between funds- Current year

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Tangible fixed assets	-	480,988	480,988
Net current assets	264,591	(231,035)	33,555
Creditors: Amounts falling due after more than one year	-	(121,524)	(121,524)
Net assets at the end of the year	264,591	128,428	393,019

15(b) Analysis of net assets between funds- Prior year

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	-	504,989	504,989
Net current assets	224,754	(170,797)	53,957
Creditors: Amounts falling due after more than one year	-	(205,764)	(205,764)
Net assets at the end of the year	224,754	128,428	353,182

16(a) Movements in funds- Current year

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
Building fund	88,428	-	-	-	88,428
Structural works funds	40,000	-	-	-	40,000
Art Council	-	2,872	(2,872)	-	-
Total restricted funds	128,428	2,872	(2,872)	-	128,428

The building fund is to research and develop the existing site, including the life long learning facility. The structural works funds are for use as may be required over the coming years.

General funds

Total Unrestricted Funds	224,754	299,464	(259,627)	-	264,591
Total unrestricted funds	224,754	299,464	(259,627)	-	264,591
Total funds	353,182	302,336	(262,499)	-	393,019

Kingsgate Workshop Trust
Notes to the financial statements
For the year ended 31 December 2021

16(b) Movements in funds-Prior year

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
Building fund	88,428	-	-	-	88,428
Structural works funds	40,000	-	-	-	40,000
Art Council	-	25,844	(25,844)	-	-
Total restricted funds	<u>128,428</u>	<u>25,844</u>	<u>(25,844)</u>	<u>-</u>	<u>128,428</u>

The building fund is to research and develop the existing site, including the life long learning facility. The structural works funds are for use as may be required over the coming years.

General funds					
Total Unrestricted Funds	<u>146,342</u>	<u>302,343</u>	<u>(223,931)</u>	<u>-</u>	<u>224,754</u>
Total unrestricted funds	<u>146,342</u>	<u>302,343</u>	<u>(223,931)</u>	<u>-</u>	<u>224,754</u>
 Total funds	 <u>274,770</u>	 <u>328,187</u>	 <u>(249,775)</u>	 <u>-</u>	 <u>353,182</u>

17 Operating lease commitments

At the balance sheet date, the charity had no financial commitment under non-cancellable operating leases.

18 Pension scheme

The charity operates a defined contribution pension scheme. The charity makes contributions to the personal pensions of its employees based on a percentage of salary.

19 Related party transactions

There were no related party transactions to disclose for 2021 (2020: none).

Kingsgate Workshop Trust

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

		Unrestricted Funds	Restricted Funds	2021 Total Funds	2020 Total Funds
	Note	£	£	£	£
Income from:					
Donations and legacies	3	513	-	513	10
Charitable activities	4	298,769	2,872	301,641	328,123
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Expenditure on:					
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Total expenditure		259,627	2,872	262,499	249,775
Net income for the year	7	39,837	-	39,837	78,412
Transfers between funds		-	-	-	-
Net movement in funds		39,837	-	39,837	78,412
Reconciliation of funds:					
Total funds brought forward		224,754	128,428	353,182	274,770
Total funds carried forward		264,591	128,428	393,019	353,182

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

The attached notes form part of the financial statements.

Kingsgate Workshop Trust
Balance sheet
As at 31 December 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets:					
Tangible assets	11		480,988		490,614
Current assets:					
Debtors	12	8,763		10,272	
Cash at bank and in hand		128,260		112,798	
		<u>137,023</u>		<u>123,070</u>	
Liabilities:					
Creditors: amounts falling due within one year	13	<u>103,468</u>		<u>95,591</u>	
Net current assets			<u>33,555</u>		<u>27,479</u>
Total assets less current liabilities			514,543		518,093
Liabilities:					
Creditors: amounts falling due after one year	14		<u>121,524</u>		<u>164,911</u>
Total net assets			<u>393,019</u>		<u>353,182</u>
Funds	16				
Restricted funds			128,428		128,428
Unrestricted funds:					
General funds		<u>264,591</u>		<u>224,754</u>	
Total unrestricted funds			<u>264,591</u>		<u>224,754</u>
Total funds			<u>393,019</u>		<u>353,182</u>

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

Spirit de la Mare
Chair

The attached notes form part of the financial statements.

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 - effective 1 January 2015) - (Charities SORP FRS 102).

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Charities SORP FRS 102 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 (SORP 2005) which has since been withdrawn.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Going concern

The trustees consider that there are no material uncertainties despite the impact of COVID-19 about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

d) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

1 Accounting policies (continued)

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise of trading costs and the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services and other activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 6.

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

~ Leasehold building	2 % per annum
Fixtures, Fittings and Equipment	20 % per annum

j) Debtors

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

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

l) Creditors and provisions

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

Kingsgate Workshop Trust
Notes to the financial statements
For the year ended 31 December 2021

2 Detailed comparatives for the statement of financial activities

	Unrestricted funds	Restricted funds	2020 Total funds
	£	£	£
Income from:			
Donations and legacies	10	-	10
Charitable activities:	302,279	25,844	328,123
Other income	54	-	54
Total income	302,343	25,844	328,187
Expenditure on:			
Charitable activities:	223,931	25,844	249,775
Total expenditure	223,931	25,844	249,775
Net income before gains / (losses) on investments	78,412	-	78,412
Net gains / (losses) on investments	-	-	-
Net income	78,412	-	78,412
Transfers between funds	-	-	-
Net income before other recognised gains and losses	78,412	-	78,412
Net movement in funds	78,412	-	78,412
Total funds brought forward	146,342	128,428	274,770
Total funds carried forward	224,754	128,428	353,182

3 Income from donations and legacies

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Donations	513	-	513	10
	513	-	513	10

4 Income from charitable activities

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Income earned from charitable activities				
Grants				
Art Council	-	2,872	2,872	25,844
Culture at Risk CLT grant	-	-	-	13,520
Licence fee income	272,596	-	272,596	269,165
Licence recharges	21,939	-	21,939	17,349
Hire of education building	1,695	-	1,695	69
Shop sales	2,538	-	2,538	2,176
Total income from charitable activities	298,769	2,872	301,641	328,123

5 Income from Investments

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Bank interest	182	-	182	54
	182	-	182	54

Kingsgate Workshop Trust
Notes to the financial statements
For the year ended 31 December 2021

6(a) Analysis of expenditure- Current year

	Charitable activities £	2021 Total £	2020 Total £
Staff costs	88,074	88,074	99,801
Direct cost			
Grants awarded	-	-	13,020
Education project	3,881	3,881	1,121
Gallery and studio cost	1,044	1,044	197
Residency running cost	28,135	28,135	15,287
Events Prog Management	675	675	1,750
Research & development	2,017	2,017	1,537
Support costs			
Rent and rates	11,032	11,032	10,499
Insurance	14,701	14,701	13,721
Light and heat	25,103	25,103	21,607
Repair and maintenance	24,703	24,703	15,201
Travelling and subsistence	496	496	281
Cleaning and waste	6,833	6,833	4,404
Printing, postage and stationary	467	467	1,167
Advertising	1,300	1,300	536
Telephone/IT supports	12,795	12,795	10,537
Trsutee meeting expenses	64	64	50
Depreciation	16,169	16,169	15,074
Accountancy fees	7,125	7,125	5,266
Independent examiner fees	3,960	3,960	3,700
Sundry	1,182	1,182	65
Loan interest for the year	11,320	11,320	13,679
Bank charges and interests	1,423	1,423	1,275
Total expenditure 2021	262,499	262,499	249,775
Total expenditure 2020	249,775	249,775	

Of the total expenditure, £259,627 were unrestricted (2020: £223,931) and £2,872 were restricted (2020: £25,844).

Kingsgate Workshop Trust
Notes to the financial statements
For the year ended 31 December 2021

6(b) Analysis of expenditure- Prior year

	Charitable activities £	2020 Total £	2019 Total £
Staff costs	99,801	99,801	101,542
Direct cost			
Grants awarded	13,020	13,020	-
Education project	1,121	1,121	8,322
Gallery and studio cost	197	197	2,549
Residency running cost	15,287	15,287	25,644
Events Prog Management	1,750	1,750	10,529
Research & development	1,537	1,537	5,693
Support costs			
Rent and rates	10,499	10,499	11,433
Insurance	13,721	13,721	13,220
Light and heat	21,607	21,607	26,654
Repair and maintenance	15,201	15,201	15,561
Travelling and subsistence	281	281	2,076
Cleaning and waste	4,404	4,404	8,209
Printing, postage and stationary	1,167	1,167	3,348
Advertising	536	536	1,565
Telephone/IT supports	10,537	10,537	5,352
Trsutee meeting expenses	50	50	390
Depreciation	15,074	15,074	15,167
Audit & accountancy fees	8,966	8,966	8,817
Sundry	65	65	277
Loan interest for the year	13,679	13,679	15,849
Loan interest for the year		-	-
Bank charges and interests	1,275	1,275	1,345
Total expenditure 2020	<u>249,775</u>	<u>249,775</u>	<u>283,542</u>

Kingsgate Workshop Trust
Notes to the financial statements
For the year ended 31 December 2021

7 Net income for the year

This is stated after charging / crediting:

	2021	2020
	£	£
Independent Examiner's Fees net of VAT	3,300	3,083
Depreciation	16,169	15,074

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021	2020
	£	£
Salaries and wages	75,300	91,934
Social security costs	717	1,865
Pension contributions	1,262	1,510
Freelance staff	9,018	733
Other staff costs	1,777	3,759
	88,074	99,801

The total employee benefits including pension contributions of the key management personnel were £25,068 (2020: £21,275).

No employees earned more than £60,000 per annum.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

No trustees received any payment or reimbursement of travel and subsistence costs.

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021	2020
	No.	No.
Charitable activity	7	7
	7	7

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Kingsgate Workshop Trust
Notes to the financial statements
For the year ended 31 December 2021

11 Tangible fixed assets

	Long Leasehold	Fixtures, fittings & equipment £	Total £
Cost			
At the start of the year	700,292	24,228	724,520
Additions in year	-	6,543	6,543
Disposals in year	-	-	-
At the end of the year	700,292	30,771	731,063
Depreciation			
At the start of the year	213,952	19,954	233,906
Charge for the year	14,006	2,163	16,169
Eliminated on disposal	-	-	-
At the end of the year	227,958	22,117	250,075
Net book value			
At the end of the year	472,334	8,654	480,988
At the start of the year	486,340	4,274	490,614

12 Debtors

	2021 £	2020 £
Trade debtors	8,763	10,272
	8,763	10,272

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Taxation & social security	911	1,495
Accruals	3,960	3,700
Bank loan	42,382	39,916
Trade creditors	11,898	6,694
Other creditors	44,317	43,786
	103,468	95,591

14 Creditors: amounts falling due after one year

	2021 £	2020 £
Bank loans > 1 year	121,524	164,911
	121,524	164,911

Bank loans totalling £163,906 (2020: £204,827) are secured against long leasehold property and repayable by 11 February 2025. Loan 1 has a 6.15% fiscal interest rate and the other 5.93%.

Kingsgate Workshop Trust
Notes to the financial statements
For the year ended 31 December 2021

15(a) Analysis of net assets between funds- Current year

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Tangible fixed assets	-	480,988	480,988
Net current assets	264,591	(231,035)	33,555
Creditors: Amounts falling due after more than one year	-	(121,524)	(121,524)
Net assets at the end of the year	264,591	128,428	393,019

15(b) Analysis of net assets between funds- Prior year

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	-	504,989	504,989
Net current assets	224,754	(170,797)	53,957
Creditors: Amounts falling due after more than one year	-	(205,764)	(205,764)
Net assets at the end of the year	224,754	128,428	353,182

16(a) Movements in funds- Current year

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
Building fund	88,428	-	-	-	88,428
Structural works funds	40,000	-	-	-	40,000
Art Council	-	2,872	(2,872)	-	-
Total restricted funds	128,428	2,872	(2,872)	-	128,428

The building fund is to research and develop the existing site, including the life long learning facility. The structural works funds are for use as may be required over the coming years.

General funds

Total Unrestricted Funds	224,754	299,464	(259,627)	-	264,591
Total unrestricted funds	224,754	299,464	(259,627)	-	264,591
Total funds	353,182	302,336	(262,499)	-	393,019

Kingsgate Workshop Trust
Notes to the financial statements
For the year ended 31 December 2021

16(b) Movements in funds-Prior year

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
Building fund	88,428	-	-	-	88,428
Structural works funds	40,000	-	-	-	40,000
Art Council	-	25,844	(25,844)	-	-
Total restricted funds	<u>128,428</u>	<u>25,844</u>	<u>(25,844)</u>	<u>-</u>	<u>128,428</u>

The building fund is to research and develop the existing site, including the life long learning facility. The structural works funds are for use as may be required over the coming years.

General funds					
Total Unrestricted Funds	146,342	302,343	(223,931)	-	224,754
Total unrestricted funds	<u>146,342</u>	<u>302,343</u>	<u>(223,931)</u>	<u>-</u>	<u>224,754</u>
 Total funds	 <u>274,770</u>	 <u>328,187</u>	 <u>(249,775)</u>	 <u>-</u>	 <u>353,182</u>

17 Operating lease commitments

At the balance sheet date, the charity had no financial commitment under non-cancellable operating leases.

18 Pension scheme

The charity operates a defined contribution pension scheme. The charity makes contributions to the personal pensions of its employees based on a percentage of salary.

19 Related party transactions

There were no related party transactions to disclose for 2021 (2020: none).