

Registered No 1112490

Company Registration No 05250745

BLUETACK COLLECTIVE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

BLUETACK COLLECTIVE

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BLUETACK COLLECTIVE

TRUSTEES AND PROFESSIONAL ADVISERS

Trustees	Mr Frederick Timothy Higginson (Also a Director and Company Secretary) Ms Elizabeth Hannah Porter Mr Martin Field (Also a Director) Mr James William Hurst
Registered Charity Number	1112490
Company Number	05250745
Registered Office	Unit 4 10-28 Millers Avenue Dalston London E8 2DS
Bankers	The Co-operative Bank – Business PO Box 250 Skelmersdale WN8 6WT
Independent Examiner	Robert Barnes FCA Flat 7 Macartney House Chesterfield Walk London SE10 8HJ

BLUETACK COLLECTIVE

REPORT OF THE TRUSTEES and DIRECTORS FOR THE YEAR ENDED 31 MARCH 2022

Financial Statements

The Trustees present their annual director's report along with the financial statements of the charity for the year ended 31 March 2021. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015)

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not prepared.

Objectives and Activities

The charity's objects are:-

Promoting access to works of contemporary art through arranging visits, exhibitions, public facilities and other events at which works of contemporary art may be exhibited and studied;

Establishing, promoting and managing studios and a gallery where contemporary works of art may be exhibited to the public.

The principal actions taken in furtherance of these objects in the year include:-

Continuing to maintain the property in good, serviceable and secure conditions providing a safe working environment for the artists in residence.

Maintaining a collective of good artists enabling them to develop their careers.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake to satisfy the Public Benefit requirements under the Charities Act 2011.

Achievements and Performance

Bluetack has continued to maintain a vibrant group of artists at premises at 10-28 Millers Avenue, London E8 2DS. After the worst of the pandemic a successful exhibition of the artist's work was held in the gallery.

Financial Review of the Year

The results for the year are set out in the Statement of Financial Activities on page 5 and the financial position of the charity at the end of the financial year is detailed in the Balance Sheet on page 6. The principal source of funding from operations of the art centre is rental income from resident artists. Total Income from artists was £39,287 (2021 - £40,656) during the year. Rent was also received from Print Club London in respect of a commercial sub-let of part of the premises totalling £18,600 (2021 - £15,000) and furthermore Print Club provided cleaning free of charge in this financial year – a saving of approximately £2,500. An administration error by Hackney Council temporarily stopped payment for Business rates in 2020/21 that are now in arrears. The accounts reflect the amount due as at 31 March 2022 under the agreed repayment plan as an accrued liability.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

BLUETACK COLLECTIVE

REPORT OF THE TRUSTEES and DIRECTORS FOR THE YEAR ENDED 31 MARCH 2022

Reserves Policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. Over the past two years reserves have increased, because of the rent adjustments made by the trustees. The Trustees remain confident that the financial position of the charity is quite secure.

Future Development and Going Concern

The Trustees have no reason to believe that the art spaces provided will not continue to be occupied at a maintainable level to meet the rent and running costs of the centre for the foreseeable future. The restructuring of the lease arrangements with Print Club make the gallery space at Millers Avenue more accessible to the artists and will improve the ability to raise more funds from artist exhibitions in the future.

Business rates as of 1st April 2022 will no longer attract the traditional relief. In addition, as noted in Note 8, Bluetack's lease with Miller Property Partnership has terminated. Discussions continue with the artists and Miller. Tacit agreement has been reached with Miller for the lease to be renewed at the existing rental against a background of phased rental increase to the artists over the next three years of some 33%. The intention is that the increased rent will at least cover increases in operating costs and hopefully go some way to increasing the reserves target set out above.

Structure, Governance and Management

The charity is a company limited by guarantee incorporated on 5th October 2005 and governed by its Memorandum and Articles of Association as amended 24th November 2005. It is also registered as a charity with the Charity Commission. Each of the Trustees guarantee to contribute £1 in the event that the company becomes insolvent and is wound up. Under the Articles of Association, the Trustees meet at least three times a year to monitor progress.

The trustees who served throughout the year, except where stated otherwise, were:-

Mr Frederick Timothy Higginson – also a director of the Company
Ms Elizabeth Hannah Porter
Mr Martin Field – also a director of the Company
Mr James William Hurst

The trustees are selected at each annual general meeting.

None of the trustees has any beneficial interest in the company.

The charity is chaired by Mr Martin Field.

There were no related parties identified during the year.

BLUETACK COLLECTIVE

REPORT OF THE TRUSTEES and DIRECTORS FOR THE YEAR ENDED 31 MARCH 2022

Trustees' Responsibilities in Relation to the Financial Statements

The Trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the directors to prepare financial statements for each year that give a true and fair view of the state of affairs of the company and of the profit or loss, total recognised gains or losses of the 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 applicable Charities SORP
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures that must be 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 company will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ascertain the financial statements comply with the Companies Act 2006 and in addition that the charity is in compliance with the Charities Act 2011 and the Charity (Accounts and Reports) regulations. They are also responsible for safeguarding the assets of the company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 18 November 2022 and signed on their behalf by

F Higginson

Mr Frederick Higginson – Trustee and Director

BLUETACK COLLECTIVE

REPORT OF THE INDEPENDENT EXAMINER FOR THE YEAR ENDED 31 MARCH 2022

I report on the accounts of the charity for the year ended 31 March 2022, which are set out on pages 5 to 8.

Respective responsibilities of the trustees as directors and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

R B Barnes

Name: Robert B Barnes FCA

Address: Flat 7 Macartney House, Chesterfield Walk London SE10 8HJ

Date: 18 November 2022

BLUETACK COLLECTIVE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

Total Unrestricted Funds			
	Note	2022 £	2021 £
Income			
- Operation of Art Centre	3	57,887	55,656
- Interest Income		-	-
		<hr/>	<hr/>
Total Income		<u>57,887</u>	<u>55,656</u>
Expenditure			
Charitable activities			
- Operation of Art Centre	4	56,676	54,663
Governance Costs	7	<hr/> -	<hr/> -
Total Expenditure		<u>56,676</u>	<u>54,663</u>
Net Income/(Expenditure) and			
Net Movement in Funds		1,211	993
Reconciliation of funds			
Total Funds brought forward		13,831	12,838
		<hr/>	<hr/>
Total Funds Carried Forward		<u>15,042</u>	<u>13,831</u>

All income and expenditure derives from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

BLUETACK COLLECTIVE**BALANCE SHEET AT 31 MARCH 2022**

	2022 £	2021 £
FIXED ASSETS		
Improvements to Leasehold Property	-	-
CURRENT ASSETS		
Debtors – all trade	15,683	8,880
Cash at bank and in hand	<u>6,149</u>	<u>11,741</u>
	21,832	20,621
CURRENT LIABILITIES		
Accrued Liabilities – all accrued business rates	<u>6,790</u>	<u>6,790</u>
NET CURRENT ASSETS	15,042	13,831
	_____	_____
TOTAL ASSETS LESS CURRENT LIABILITIES and NET ASSETS	<u>15,042</u>	<u>13,831</u>
FUNDS		
Unrestricted Income	<u>15,042</u>	<u>13,831</u>
	<u>15,042</u>	<u>13,831</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006 for the year ended 31 March 2022. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The director acknowledges his responsibility for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Approved by the Trustees on 18 November 2022 and signed on their behalf by

F Higginson

Mr Frederick Higginson – Trustee and Director

BLUETACK COLLECTIVE

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with the 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 (FRS102) (effective 1 January 2015) – (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Bluetack Collective meets the definition of a public benefit entity under FRS102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements have been prepared on a going concern basis, the Trustees having taken into account the matters referred to in their Annual Report.

Company Status

The charity is a company limited by guarantee. The members of the company are the Trustees. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member.

Fund Accounting

Funding of the Charity comprises only *Unrestricted Funds*. These are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.

Income

Items of income are recognised once the charity has entitlement to the funds, it is certain that the income will be received and the monetary value of incoming resources can be measured with sufficient reliability.

The trustees believe that all of the funding received is from unrestricted charitable activities.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for gross when incurred on an accruals basis.

Tangible Fixed Assets

Individual fixed assets costing £1,000 or more are capitalised and are depreciated over their useful economic lives on a straight-line basis. The only recent expenditure has been on improvement to the leasehold premises comprising heating and security plant and equipment which is being depreciated over 3 years.

Debtors

Amounts owing to the charity at 31st March in respect of loans are shown as debtors less provision for amounts that may prove non-collectible. Trade and other debtors are recognised in the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at Bank and in Hand

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

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.

2 LEGAL STATUS OF THE TRUST

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantees is limited to £1 per member of the company.

3 INCOME

The income for the period comprises principally unrestricted rental income arising from operation of the Art Centre.

4 EXPENDITURE

The only expenditure incurred was on meeting operating costs of the Arts Centre.

5 TAXATION

The charity is not liable for UK corporation tax.

6 EMPLOYEES

The charity has no employees.

7 RELATED PARTY TRANSACTIONS

The trustees are entirely responsible for the governance of the charity and provide this service on a voluntary unpaid basis.

As set out in Note 8 the charity rents its premises at 10-28 Millers Avenue. Fred Higginson is a partner in Miller Property Partnership LLP along with his wife. Each of them owns a 37.5% share of the equity. Additionally, Mr R Barnes – through Avingmen Limited - a company wholly controlled by him – is interested in the remaining 25% of Miller Property Partnership LLP. The rent charged is at a fair market rent.

8 FINANCIAL COMMITMENTS

The charity rents premises at 10-28 Millers Avenue, London. The lease agreement was renewed on 22nd August 2016 at an annual rent of £47,250 and terminated on 22nd August 2021. Rental payments have continued at £3,937.50pm pending finalisation of discussions with the users of the premises.