

**Zabludowicz Art Projects**  
(A charitable company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

for the year ended  
29 December 2021

Charity Registration No. 1120067  
Company Registration No. 06269259

# Zabludowicz Art Projects (Limited by Guarantee)

## TRUSTEES' REPORT

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### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 29 DECEMBER 2021

The trustees submit their report and the financial statements of the charity for the year ended 29 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

### REFERENCE AND ADMINISTRATIVE DETAILS

Charity number: 1120067

Company number: 06269259

Registered office: 41 Dover Street  
London  
W1S 4NS

### ADVISORS

Statutory Auditor: RSM UK Audit LLP  
The Pinnacle  
170 Midsummer Boulevard  
Milton Keynes  
MK9 1BP

Solicitors: Ashfords LLP  
Ashford House  
Grenadier Road  
Exeter  
EX1 3LH

Bankers: Barclays Bank  
Level 11  
1 Churchill Place  
London  
E14 5HP

Advisory committee: Brian Boylan  
Thomas Dane  
James Lingwood

In addition, advice on each exhibition may be sought from the guest and/or resident artist/curator.

### DIRECTORS AND TRUSTEES

The directors of the company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The trustees serving since incorporation are as follows:

Chaim Zabludowicz (Chairman)  
Anita Zabludowicz (Director)  
David Halpern FCA (resigned 3 June 2021)  
Dr. Fabio Botterini de Pelosi (Liechtenstein)

### SECRETARY

Richard Lloyd ACA

# Zabludowicz Art Projects (Limited by Guarantee)

## TRUSTEES' REPORT

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### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Governing Document

The charity is a company limited by guarantee registered and incorporated in England and Wales and is governed by its Memorandum and Articles of Association dated 5 June 2007.

#### Appointment of trustees

As set out in the Articles of Association the trustees have the power to appoint new trustees. There is no maximum limit to the number of trustees in office. However, there must be a minimum of three trustees in office at any time. At each annual general meeting, a third of the longest standing trustees must retire from office. In each case each outgoing trustee is eligible for re-appointment.

#### Trustee induction and training

All trustees appointed on incorporation, together with the Advisory Committee, are briefed on the charitable objectives and their responsibilities as trustees.

#### Organisation

The board of trustees administers the charity. The Director appointed by the trustees manages the day-to-day operations of the charity. Zabludowicz Art Projects is managed by the Director and two secondees from the Zabludowicz Art Trust, viz. the Artistic Director and the Collection Manager, each of whom has an assistant employed by the charity. The finances are managed by Dr. Botterini de Pelosi. All report to the Chairman.

The trustees also rely on the Advisory Committee whose remit is to advise and comment upon the organisation's achievement of its charitable objectives, public activities, marketing, position and role.

The charity has had regard to the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)', in preparing the trustees' report and the financial statements.

#### Pay policy for senior staff

The trustees consider the board of trustees, who are the charity's directors, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in note 3 to the accounts. The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings as appropriate.

#### Related parties

The charity has had close but informal relations with the following parties over the past 12 months:

Burgess & Beech  
Velonomy

#### Trulee Hall (Annual Commission)

Trulee Hall and performers (see list in 2020 report)  
Mary Reid Kelley  
Mike Kuchar  
Nathalie Djurberg  
Narcissister  
Mika Rottenberg,  
Jennifer Juniper Stratford  
Shana Moulton  
Sonia González  
David Gryn  
Anna Mustonen

Suzan Pitt  
Patrick Kelley  
Allison Schulnik  
Hans Berg  
Theo Triantafyllidis  
Geneva Jacuzzi  
Rachel Maclean  
Ericka Beckman  
Maccarone Gallery  
Barnie Paige

# Zabludowicz Art Projects (Limited by Guarantee)

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### Master Class Artist-led Professional Development Programme Online

Isaac Julien  
Emma Talbot  
Gerard Carson  
Karen Maxted  
Duncan Poulton  
Katie Tomlinson  
Yinka Shonibare  
Sophie Rogers  
Andrew Wheatley  
Polly Wright  
Daniel Kelly

Julia Scher  
Ryan Gander  
Robert Cervera  
Susie Olczak  
Jonathan Michael Ray  
Doug Fishbone  
Guy Oliver  
Armindokht Shoostari  
Dea Vanagan  
Miles Thurlow

### No Thing is Waiting, Testing Ground

Jessica Wan  
Korakrit Arunanondcha  
Joshanne Dar  
Andy Holden  
Klara Kristalova  
Amanda Ross-Ho  
Valerie Snobeck  
Yung Jake  
Kan Xuan  
Maria Dinu  
Yankee Tsang  
aaajiao

Anna Nesterenko  
Alice Channer  
Eloise Hawser  
Jessica Jackson Hutchins  
Jung Min Park  
Annan Shao  
Jesse Stecklow  
Guan Xia  
Able Zhang  
Phuong Uyen  
Alina Savina

### The Stand-Ins: Figurative Painting from the Collection

Maxwell Alexandre  
Philip Guston  
Jordan Kasey  
Maria Lassnig  
Christina Quarles  
Dorothea Tanning  
Caragh Thuring  
Willem Weismann  
Issy Wood  
Jakub Julian Ziolkowski

Anna Glantz  
Jamian Juliano-Villani  
Ella Kruglyanskaya  
Kate Lyddon  
Avery Singer  
Henry Taylor  
Tesfaye Urgessa  
Robin F. Williams  
Rose Wylie

### 360 VR Room

Mélodie Mousset  
Edo Fouilloux  
Chiara Passa

### Women + Health Charity Exhibition

Gemma Tighe  
Cass Wedd  
Judith Millecker  
Victoria Williams

Lesia Haliv  
Kate Minton  
Frances Borzello  
Madelaine Dunnigan

### Workshops/Families Creates

Rosemary Cronin  
Anne Harild  
Puck Verkade

# Zabludowicz Art Projects (Limited by Guarantee)

## TRUSTEES' REPORT

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### Informal Support:

Procreate Projects/Mother House Studios

Portugal Prints: Sikelala Owen, Patrick Conlon, Marta Gamito

The Lesser Bohemians – The Drama Centre/Central Saint Martins: Vaila Anderson, Kristina

Kapilin, Timothy Kelly, Lauren Carter

The charity also continued its relationships with those parties disclosed in earlier trustees' reports.

In addition to the above, the charity also relied on the Zabludowicz Art Trust for its funding during the period and will do so for the foreseeable future. Mr. Zabludowicz and Dr. Botterini de Pelosi are trustees of the Zabludowicz Art Trust.

Details of transactions with related parties are given in note 11 of the financial statements.

### ACHIEVEMENTS AND PERFORMANCE

#### OBJECTIVES AND ACTIVITIES

The charity's objectives, as set out in its governing document, are: to promote, encourage and increase the public's appreciation and understanding of contemporary art by establishing and maintaining a venue for the exhibition of contemporary art in various media; undertaking and promoting self-initiated exhibitions and commissioning works for exhibition by contemporary artists and curators; and advancing the education of the public in contemporary art through exhibitions, publications, seminars, lectures, talks and similar events.

#### Activities

During 2021 the charity continued to manage the exhibition space at 176 Prince of Wales Road, London (the "gallery") with two major exhibitions in the main spaces during the year as well as the smaller series of exhibitions known as Invites and 360. It also continued its Testing Ground programme of educational professional development. The gallery's programme in 2021 continued to focus on female artists.

Trulee Hall's Annual Commission for 2020 was extended into 2021 to compensate for the months the gallery was closed due to the national lockdowns. The exhibition proved to be an international success for the artist, increasing their exposure in the UK and Europe and a partner exhibition was held in April - August 2021 at Villa Schoningen, Potsdam, Germany. The 360 The Virtual Reality Room programme was restarted with a therapeutic and interactive musical work by Mélodie Mousset and Edo Fouilloux and second exhibition of Chiara Passa later in 2021.

Several charitable partnership projects took place during 2021. An Artist in Residence project was initiated with Camden Mental Health Charity Portugal Prints (part of Mind in Brent and Wandsworth), support was given to Procreate Projects to initiate The Mother House Studios for artists with child caring responsibilities and the charity continued its relationship with Camden charity Women + Health.

The Covid-19 pandemic introduced delays and alterations to the planned events during the year and, in response, the charity continued its online digital programming and staff support. Overall, the 2021 programme was reduced when compared to pre-pandemic years but activities and events have increased when compared to those in 2020. As expected, digital engagement receded and in-person visitor figures were healthy and encouraging.

The performance festival, Hot with Excess, originally planned for March 2020 was initially postponed until 2021 due to the pandemic. However, as many of the artists originally involved and their works had evolved since the initial planning it was felt that the revisions and development needed to realise this exhibition in 2021 was beyond the possibilities of our budget and resources and the exhibition was cancelled.

In the light of this, the trustees decided not to proceed with the 2021 Annual Commission. The Annual Commission will continue in 2022 with the Chinese multimedia artist Lu Yang.

# Zabludowicz Art Projects (Limited by Guarantee)

## TRUSTEES' REPORT

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Each of the exhibitions was accompanied by a series of public events, talks and screenings which were held concurrently with the exhibitions. During 2021 the printing of publications was paused and then restarted during 2022 for sale during The Stand Ins exhibition. The two publications produced in 2022 were: Trulee Hall (edited by Antonia Blocker and designed by Burgess & Beech) and Artists in Virtual Reality (edited by Paul Luckraft & Elizabeth Neilson and designed by Burgess & Beech)

The charity continued its free weekly Saturday afternoon drop-in workshops, Families Creates, for children and families as well as the Saturday staff tours.

### **Programme Overview**

In excess of 21,000 people engaged directly with the charity's events and exhibitions in 2021.

### **Online and Social Media Engagement**

The Zabludowicz Collection website continues to be the main source of information for all visitors to the gallery space. A list of current and future activities is regularly updated and video recordings of past exhibitions are available to be streamed by website visitors and students engaging in research.

The charity also uses a number of social media applications to increase awareness of the gallery's activities. Instagram is the gallery's main platform and 2021 began with 71,421 followers and after a dip in followers between July and October 2021, ended with 71,829 followers. Twitter is also used to ensure the gallery's engagement in conversations across the art world and also in more general cultural discourse. Across 2021, Twitter followers decreased from 7,249 to 7,098.

Facebook is used to present video content and reaches on average a slightly older demographic. The trustees believe that a presence on this platform is necessary but they do not regard it as the gallery's leading social media channel. Across 2021 Facebook activity remained consistent with approximately 11,000 followers.

### **Offsite exhibitions & activities**

The charity proudly supported Women + Health Fundraising Partnership in the creation of their first online exhibition of artwork produced by women during the pandemic entitled Women's Lockdown Art. Due to changes in government guidance the planned physical exhibition did not take place and the exhibition was available to be viewed online between 12 November 2020 and 31 January 2021. The charity helped them raise over £14,000 during their first fundraising exhibition.

The charity sponsored artist Sikelala Owen to work for 3 months as an artist in residence at Portugal Prints, a therapeutic mental health charity based in Arlington House, Camden. Approximately 40 artists from Portugal Prints worked with Sikelala to explore their personal practices. The exhibition Just an Artist... comprising works created by the Portugal Prints artists was the first Invites exhibition in 2022.

The charity also supported the Families Create Offsite: Kentish Town Square project held on 19 August 2021.

From 25 August to 28 August 2021 the charity donated gallery space to alumni of the London Drama School, the occupiers of 176 Prince of Wales Road before the charity, to facilitate the performance of The Lesser Bohemians.

The gallery also provides a hub for Velonomy Bike Workshops, a local charity, so that they may repair bicycles free of charge and provide training on bicycle maintenance. In doing so the charity wishes to encourage ecological transport.

# Zabludowicz Art Projects (Limited by Guarantee)

## TRUSTEES' REPORT

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### FINANCIAL REVIEW

The results for the year ended 29 December 2021 are set out on the statement of financial activities on page 13. The position at the end of the period is shown in the balance sheet on page 14.

The trustees are satisfied with the results for the year.

### Risk Management

The trustees have a risk management strategy which comprises:

- A regular review of the risks the charity may face;
- The establishment of systems and procedures to mitigate those risks identified during the review; and
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The specific risks are identified as follows:

### *Sources of Income*

The charity has no regular source of income other than the donations it receives from the Zabludowicz Art Trust. However, the Zabludowicz Art Trust is committed in its support of the charity. Further details related to the adoption of the going concern basis can be found in the accounting policies on page 16.

### *General Risks*

As the public face of the Zabludowicz Collection there are risks relating to: safety of the visiting public; staff safety; theft of/damage to art works being exhibited and damage to the building and its fixtures and fittings. The gallery's management team, led by the Artistic and Administrative Directors ensure that staff are trained in health and safety matters. While the exhibition space is open to the public, gallery invigilators are present to ensure the safety of the public, the works and the surroundings. During busy times, such as public opening evenings, security services are retained. The gallery followed UK government coronavirus guidance in respect of its opening during lockdown periods and its interactions with the public during non-lockdown periods.

### Investment Powers and Policy

Under the Memorandum and Articles of Association the charity may invest for the sole purpose of furthering its charitable objectives. No investments were held during the year ended 29 December 2021 (2020: £nil).

### Reserves Policy

As at 29 December 2021:

- (i) restricted funds of the charity amounted to £nil (2020: £nil).
- (ii) unrestricted funds amounted to £87,553 deficit, (2020: £57,718 deficit) of which £19,072 (2020: £12,106) was represented by fixed assets and £106,625 deficit (2020: £69,824 deficit) was represented by net current liabilities.

During the year, the Zabludowicz Art Trust continued its support of the charity and is committed to its future support of the charity. The trustees are satisfied with the level of reserves held.

### Sponsorship Policy

In line with the charitable objects, the charity will from time to time provide financial support to artists. The Director is responsible for identifying and recommending suitable candidates to the other trustees who then decide whether support is provided.

### FUNDRAISING

The charity does not carry out any direct fundraising activities but raises some funds via artist's editions, publications and the on-site café. While no editions were made during the year, the charity produced merchandising linked to its exhibitions; ultimately giving the charity another source of income and providing further support to artists by commissioning merchandising concepts and designs.



# Zabludowicz Art Projects (Limited by Guarantee)

## TRUSTEES' REPORT

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### FUTURE PERIODS

#### Main shows:

The last exhibition of 2021, The Stand-Ins: Figurative Painting from the Zabludowicz Collection was extended past its original end date to 13 February 2022.

Due to difficulties in arranging a fully completed Masterclass project with a cohesive narrative, the trustees did not proceed with the 2022 Masterclass exhibition. Even though the exhibition was cancelled, the Masterclass events programme continued online with the Masters: Anj Smith (Painter), Paul Pfeiffer, Matthew Day Jackson and Shana Moulton.

Among the Machine, an exhibition created by our senior in-house curator, Paul Luckraft was held from 24 March to 17 July 2022 and examined the interaction between humans and machines/non-human entities by asking "how will we respond to a stage of evolution beyond the human?". It featured new augmented reality artworks created in direct response to the gallery space by Rebecca Allen, Ian Cheng, Simon Denny, Aleksandra Domanović, Jake Elwes, Lynn Hershman Leeson, Joey Holder, Marguerite Humeau, Keiken, Lauren Moffatt, Tabita Rezaire, Theo Triantafyllidis and Anicka Yi.

The gallery's Autumn exhibition (22 September 2022 to 12 February 2023) is the world premiere of a solo commission from acclaimed Chinese multi-media artist Lu Yang and realises heavily on projection and new media/technology.

#### Invites:

Portugal Prints: 27 January to 13 February 2022.

#### VR

360: Jeremy Couillard: 24 February–20 March 2022

360: Lauren Moffatt: 24 March–29 May 2022

No further VR exhibitions are planned as the trustees consider the re-purposing of the VR room in order to make the space suitable for different activities/artistic media.

### STATEMENT AS TO THE DISCLOSURE OF INFORMATION TO THE AUDITOR

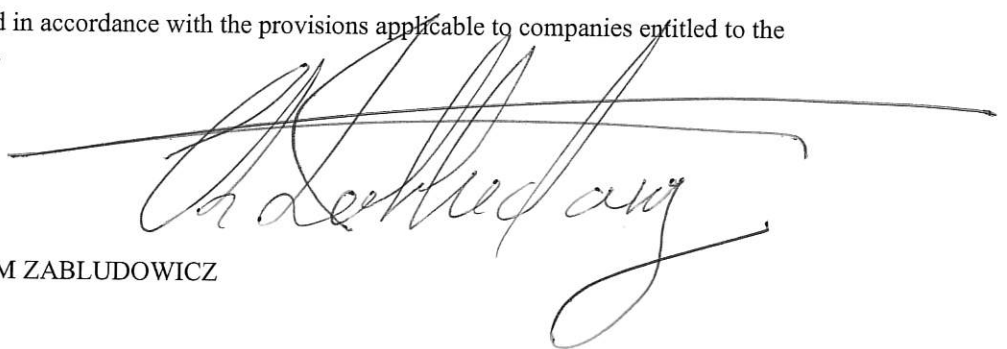
In accordance with company law, as the charity's trustees, we certify that:

- so far as we are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- as the trustees of the charity, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor, RSM UK Audit LLP, has indicated its willingness to continue in office.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

By order of the trustees



Chairman and trustee: CHAIM ZABLUDOWICZ

Date: 13 October 2022



# Zabludowicz Art Projects (Limited by Guarantee)

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The trustees (who are also directors of Zabludowicz Art Projects for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including 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 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Zabludowicz Art Projects (Limited by Guarantee)

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ZABLUDOWICZ ART PROJECTS

### Opinion

We have audited the financial statements of Zabludowicz Art Projects (the 'charitable company') for the year ended 29 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 29 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

# Zabludowicz Art Projects (Limited by Guarantee)

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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ZABLUDOWICZ ART PROJECTS**

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, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

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

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# Zabludowicz Art Projects (Limited by Guarantee)

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ZABLUDOWICZ ART PROJECTS

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to any new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Health and Safety at Work, etc Act 1974 and the Management of Health and Safety at Work Regulations 1999. We performed audit procedures to inquire of management whether the charitable company is in compliance with these law and regulations and enquired as to any correspondence with regulatory authorities of which there was none.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

# Zabludowicz Art Projects (Limited by Guarantee)

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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ZABLUDOWICZ ART PROJECTS**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Sarah Mason*

SARAH MASON (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
The Pinnacle  
170 Midsummer Boulevard  
Milton Keynes  
Buckinghamshire  
MK9 1BP  
Date 14 October 2022

# Zabludowicz Art Projects (Limited by Guarantee)

## STATEMENT OF FINANCIAL ACTIVITIES (Incorporating income and expenditure account) for the year ended 29 December 2021

	Note	Total Unrestricted Funds 2021 £	Total Unrestricted Funds 2020 £
<b>INCOME FROM:</b>			
Donations and legacies	1	862,418	754,919
Other income	1	89,038	172,069
<b>TOTAL</b>		<b>951,456</b>	<b>926,988</b>
<b>EXPENDITURE ON:</b>			
Raising funds	2	18,832	23,079
Charitable activities	2	962,459	895,798
<b>TOTAL</b>		<b>981,291</b>	<b>918,877</b>
<b>NET (EXPENDITURE)/ INCOME</b>	4	<b>(29,835)</b>	<b>8,111</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b>(57,718)</b>	<b>(65,829)</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>(87,553)</b>	<b>(57,718)</b>

# Zabludowicz Art Projects (Limited by Guarantee)

## BALANCE SHEET

As at 29 December 2021

Company No: 06269259

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	7	19,072	12,106
<b>CURRENT ASSETS</b>			
Debtors	8	14,105	22,025
Cash at bank and in hand		15,639	6,412
		29,744	28,437
<b>CURRENT LIABILITIES</b>			
Creditors: amounts falling due within one year	9	(136,369)	(98,261)
<b>NET CURRENT LIABILITIES</b>		(106,625)	(69,824)
<b>NET LIABILITIES</b>		(87,553)	(57,718)
<b>THE FUNDS OF THE CHARITY</b>			
Unrestricted funds		(87,553)	(57,718)
		(87,553)	(57,718)

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board and authorised for issue on 13 October 2022 and signed on its behalf by

CHAIM ZABLUDOWICZ  
CHAIRMAN AND TRUSTEE



# Zabludowicz Art Projects (Limited by Guarantee)

## CASH FLOW STATEMENT For the year ended 29 December 2021

	<i>Notes</i>	2021 £	2020 £
OPERATING ACTIVITIES			
Cash generated from operations	10	23,301	4,719
NET CASH FROM OPERATING ACTIVITIES		23,301	4,719
INVESTING ACTIVITIES			
Payments to acquire tangible fixed assets		(14,075)	(972)
NET CASH USED IN INVESTING ACTIVITIES		(14,075)	(972)
NET INCREASE IN CASH AND CASH EQUIVALENTS		9,226	3,747
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		6,413	2,666
CASH AND CASH EQUIVALENTS AT END OF YEAR		15,639	6,413
ANALYSIS OF CHANGES IN NET DEBT			
	At 29 December 2020	Cash flows	At 29 December 2021
Cash at bank and in hand	6,413	9,226	15,639

# Zabludowicz Art Projects (Limited by Guarantee)

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## ACCOUNTING POLICIES for the year ended 29 December 2021

### BASIS OF ACCOUNTING

Zabludowicz Art Projects is a private company limited by guarantee and a registered charity. It is registered, domiciled and incorporated in England. The registered charity and company numbers and its principal activities are shown in the Trustees' Report.

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006. The financial statements have been 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 (FRS 102) (effective October 2019) and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

### GOING CONCERN

The charity's business activities, together with the factors likely to affect its future development and position, are set out in the Trustees' Report on pages 1 to 7.

The charity has net liabilities. The charity is reliant on the support of the Zabludowicz Art Trust. The trustees consider it appropriate to prepare the financial statements on the going concern basis as the Zabludowicz Art Trust has indicated its willingness to continue to support the charity for at least 12 months following the signing of these financial statements and will make sufficient funds available during 2022 to allow the charity to rectify its negative reserve position at the balance sheet date.

### FUNCTIONAL CURRENCY

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

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

### FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

### DONATIONS AND LEGACIES

Donations are credited to the Statement of Financial Activities when conditions of receipt have been met. All other income is recognised on an accruals basis.

### DONATED SERVICES

Donated services are included in income when the benefit to the charity is reasonably quantifiable and measurable. These are valued by the trustees at the amount the charity would have been willing to pay on an open market.

### RAISING FUNDS

Income from trading operations represents the invoiced value of goods sold and services provided to visitors to the gallery where the charity displays its collections.

### GOVERNMENT GRANTS

Government grants are recognised on a receivable basis as there are no specific conditions attached in terms of where or when spent.

# Zabludowicz Art Projects (Limited by Guarantee)

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## ACCOUNTING POLICIES (continued) for the year ended 29 December 2021

### EXPENDITURE

Expenditure is recognised when a liability is incurred. Direct costs are defined as those costs directly attributable to areas of charitable activity and support costs are those not directly attributable. Total expenditure is allocated between Expenditure on Raising Funds and Charitable Activities as follows:

- Cost headings readily identifiable to one of the above two categories are allocated in full to that particular category.
- 10% of the seconded curator's salary and 5% of the interaction curator's salary are allocated to Expenditure on Raising Funds.
- The remaining support costs are allocated to the Charitable Activities, as only one charitable activity is recognised.

### EXPENDITURE ON RAISING FUNDS

These are costs incurred in activities to raise funds.

### CHARITABLE ACTIVITIES

Comprises those costs incurred by the charity in the execution of its activities.

### TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Leasehold improvements	10% straight line
Computer equipment	25% straight line
Fixtures, fittings and equipment	10% straight line
Office equipment	25% straight line

### STOCK

The cost of stock is expensed through the Statement of Financial Activities as it is incurred.

### UNRESTRICTED FUNDS

Unrestricted funds are those funds which the trustees are free to use in accordance with the charitable objects.

### RESTRICTED FUNDS

Restricted funds are used for specific purposes as laid down by the donor or grant making body. Expenditure which meets the necessary criteria is allocated against the funds, together with a fair allocation of overheads. There were no restricted funds to recognise.

### VALUATION OF GIFTS IN KIND

Gifts in kind are included in the accounts on the basis of historical cost, or if this is not readily obtainable by reference to the market value at the time the gift was made.

### IRRECOVERABLE VAT

The charity is not registered for VAT. The irrecoverable VAT is reported as part of the expenditure to which it relates.

### RETIREMENT BENEFITS

During the year the charity operated a defined contribution pension scheme. The amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

# Zabludowicz Art Projects (Limited by Guarantee)

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## ACCOUNTING POLICIES (continued) for the year ended 29 December 2021

### FINANCIAL INSTRUMENTS

The charity has elected to apply the provisions of Section 11 “Basic Financial Instruments” and Section 12 “Other Financial Instruments Issues” of FRS 102, in full, to all of its financial instruments.

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities.

#### *Financial assets*

Basic financial assets, which include other debtors and accrued income, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost.

#### *Financial liabilities*

Basic financial liabilities, which include trade creditors and accruals, are initially measured at transaction price and subsequently measured at amortised cost.

### CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

In the application of the charity’s accounting policies, the trustees are required to make judgements, estimates and assumptions including the total amount of expenditure to be accrued at the start of each project. These estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# Zabludowicz Art Projects (Limited by Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 29 December 2021

### 1 INCOME

The charity's income and net income were all derived from its principal activity which arose wholly in the United Kingdom.

A breakdown of the income is shown below:

	2021 £	2020 £
Donations and legacies	862,418	754,920
Gift/Coffee Shops Income	14,106	16,397
Other Income	74,932	155,671
<b>Total income</b>	<b>951,456</b>	<b>926,988</b>

### 2 EXPENDITURE

	Raising Funds £	Charitable Activities £	Total 2021 £
<b>DIRECT COSTS</b>			
Salaried staff	-	476,460	476,460
Seconded and recharged staff costs	4,583	163,569	168,152
Purchases	3,792	-	3,792
Project costs	-	120,483	120,483
<b>TOTAL DIRECT COSTS</b>	<b>8,375</b>	<b>760,512</b>	<b>768,887</b>
<b>SUPPORT COSTS</b>			
Property expenses	-	17,301	17,301
IT expenses	-	8,361	8,361
Travel & entertaining	263	2,147	2,410
Other office costs	-	4,833	4,833
Legal & professional	-	74,713	74,713
Depreciation	-	7,109	7,109
Telecommunications	-	4,931	4,931
Governance costs including audit	-	31,930	31,930
Security	-	1,217	1,217
Bank charges	-	257	257
Advertising	10,194	-	10,194
Exchange differences	-	235	235
Donations made	-	34,770	34,770
Annual return	-	13	13
Insurance	-	324	324
Bank interest payable	-	6	6
Tax compliance fee (note 4)	-	13,800	13,800
<b>TOTAL SUPPORT COSTS</b>	<b>10,457</b>	<b>201,947</b>	<b>212,404</b>
<b>TOTAL EXPENDITURE</b>	<b>18,832</b>	<b>962,459</b>	<b>981,291</b>

# Zabludowicz Art Projects (Limited by Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 29 December 2021

### 2 EXPENDITURE (continued)

The expenditure for the year ended 29 December 2020 were categorised as follows:

	Raising Funds £	Charitable Activities £	Total 2020 £
<b>DIRECT COSTS</b>			
Salaried staff	-	435,709	435,709
Seconded and recharged staff costs	4,596	127,756	132,352
Purchases	8,138	-	8,138
Project costs	-	127,158	127,158
<b>TOTAL DIRECT COSTS</b>	<b>12,734</b>	<b>690,623</b>	<b>703,357</b>
<b>SUPPORT COSTS</b>			
Property expenses	-	26,125	26,125
IT expenses	-	2,607	2,607
Travel & entertaining	1,184	277	1,461
Other office costs	-	7,943	7,943
Legal & professional	-	109,615	109,615
Depreciation	-	4,434	4,434
Telecommunications	-	5,250	5,250
Governance costs including audit	-	19,800	19,800
Security	-	3,008	3,008
Bank charges	-	393	393
Advertising	9,161	-	9,161
Exchange differences	-	684	684
Donations made	-	24,817	24,817
Annual return	-	13	13
Insurance	-	147	147
Bank interest payable	-	62	62
<b>TOTAL SUPPORT COSTS</b>	<b>10,345</b>	<b>205,175</b>	<b>215,520</b>
<b>TOTAL EXPENDITURE</b>	<b>23,079</b>	<b>895,798</b>	<b>918,877</b>

# Zabludowicz Art Projects (Limited by Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 29 December 2021

### 3 EMPLOYEES

	2021 No.	2020 No.
The average monthly number of persons employed by the charity during the year was:	23	22
	2021 £	2020 £
Staff costs of the above persons:		
Wages and salaries	400,991	371,969
Social security costs	35,589	29,804
Pension costs	23,902	22,116
	<u>460,482</u>	<u>423,889</u>

No employee's emoluments exceeded £60,000 (2020: Nil).

There are informal arrangements in place where employees of related parties are seconded to the charity. The time spent by each secondee is recognised in the accounts as a donated service to the charity on the basis of employer cost.

During the year staff costs of £94,959 (2020: £95,077) and £73,194 (2020: £37,275) were donated by the Zabludowicz Art Trust and Tamares Real Estate Investments (UK) Limited respectively.

Contributions outstanding at the year-end in respect of the pension scheme were £2,848 (2020: £2,960) and are included in other creditors.

The key management personnel of the charity are Anita Zabludowicz, Elizabeth Neilson and Virginie Morysse. The total key management remuneration during the period, which comprised salary and pension benefits, were £81,303 (2020: £82,620) and Employers National Insurance of £Nil (2020: £Nil).

The Trustees received no remuneration or expense reimbursements during the year (2020: £Nil).



# Zabludowicz Art Projects (Limited by Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 29 December 2021

### 4 NET (EXPENDITURE)/INCOME

	2021 £	2020 £
The net expenditure for the year is stated after charging:		
Auditor's remuneration;		
– statutory audit	24,516	22,470
– tax compliance	13,800	7,200
Depreciation (owned assets)	7,109	4,434
Exchange losses	235	684

### 5 TAXATION

The charity is exempt from corporation tax on any surplus derived from its charitable activities.

### 6 LIMITED BY GUARANTEE STATUS (MEMBERS' LIABILITY)

The liability of members is not to exceed £10 a member. At 29 December 2021 there were 2 members (2020: 2 members).

### 7 TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Computer equipment £	Fixtures, fittings & equipment £	Office Equipment £	Total £
<b>Cost</b>					
As at 30 December 2020	13,455	80,094	102,352	13,637	209,538
Additions	-	11,077	2,998	-	14,075
As at 29 December 2021	13,455	91,171	105,350	13,637	223,613
<b>Depreciation</b>					
As at 30 December 2020	13,455	78,429	91,911	13,637	197,432
Charged in the year	-	3,602	3,507	-	7,109
As at 29 December 2021	13,455	82,031	95,418	13,637	204,541
<b>Net book value</b>					
As at 29 December 2021	-	9,140	9,932	-	19,072
As at 29 December 2020	-	1,665	10,441	-	12,106

# Zabludowicz Art Projects (Limited by Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 29 December 2021

8	DEBTORS	2021 £	2020 £				
	Prepayments and accrued income	9,987	10,168				
	Other debtors	4,118	11,857				
		<u>14,105</u>	<u>22,025</u>				
9	CREDITORS: Amounts falling due within one year	2021 £	2020 £				
	Trade creditors	12,304	22,935				
	Other taxation and social security	16,504	11,741				
	Other creditors	2,848	2,960				
	Accruals and deferred income	104,713	60,625				
		<u>136,369</u>	<u>98,261</u>				
10	RECONCILIATION OF NET (EXPENDITURE)/ INCOME TO NET CASH GENERATED FROM OPERATIONS	2021 £	2020 £				
	Net (Expenditure)/Income	(29,835)	8,112				
	Adjustments for:						
	Depreciation of tangible assets	7,108	4,434				
	Operating cash flows before movements in working capital	<u>(22,727)</u>	<u>12,546</u>				
	Decrease in debtors	7,920	3,032				
	Increase/(Decrease) in creditors	38,108	(10,859)				
	Cash generated from operations	<u>23,301</u>	<u>4,719</u>				
11	RELATED PARTY TRANSACTIONS						
	<i>Name of party</i>	<i>Relationship</i>	<i>Description of Transaction</i>	<i>Value of transactions in year</i>		<i>Balance at year end debtor</i>	
				<i>2021</i> £	<i>2020</i> £	<i>2021</i> £	<i>2020</i> £
	Zabludowicz Art Trust	C Zabludowicz F Botterini de Pelosi Trustees'	Donations received	703,064	622,568	-	-
	Zabludowicz Art Trust	C Zabludowicz F Botterini de Pelosi Trustees'	Donated services received	94,959	95,077	-	-

# Zabludowicz Art Projects (Limited by Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 29 December 2021

### 11 RELATED PARTY TRANSACTIONS continued

<i>Name of party</i>	<i>Relationship</i>	<i>Description of Transaction</i>	<i>Value of transactions in year</i>		<i>Balance at year end debtor</i>	
			<i>2021</i> £	<i>2020</i> £	<i>2021</i> £	<i>2020</i> £
Tamara's Real Estate Investments (UK) Limited	C Zabludowicz Director	Donated services received	60,995	37,275	-	-
British Friends of the Art Museum of Israel	C Zabludowicz Director	Donated services received	1,000	-	-	-