

**TURNER CONTEMPORARY**  
**CONSOLIDATED FINANCIAL STATEMENTS AND ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

Registered Charity No: 1129974  
Registered Company No: 06772337 (England and Wales)

## TURNER CONTEMPORARY

### CONTENTS

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	Page No
Legal and Administrative Details	1
Chairman's Foreword	2 - 3
Report of the Trustees	4 - 15
Independent Auditors' Report	16 - 19
Statements of Financial Activities	20 - 21
Summary Income and Expenditure account	22
Consolidated Balance Sheet	23
Charity Balance Sheet	24
Consolidated Cashflow Statement	25
Notes to the Financial Statements	26 - 36

## TURNER CONTEMPORARY

### CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Charity registration number</b>	1129974	
<b>Company registration number</b>	06772337	
<b>Trustees</b>	Clive Stevens DL Laura Wright Caroline Alton Vivienne Bennett Jill Constantine Martin Cook Sir Stephen Deuchar Lucy Edematie Peter Hawkes Kemet Hawthorne Pink Sarah Hohler Yasmin Khan Professor Simon Ofield-Kerr Piers Sanders Keith Valentine	(Chair) (Vice Chair)
<b>Key Management Personnel</b>	Victoria Pomery Rowena Tozer Moya Stirrup Sarah Martin Toby Parkin Sanjivan Kohli	Secretary and Gallery Director Head of Finance Head of Communications Head of Exhibitions Head of Learning and Audience Engagement Head of Development
<b>Principal Address</b>	Rendezvous Margate Kent CT9 2HG	
<b>Independent Auditor</b>	Azets Audit Services 5th Floor Ashford Commercial Quarter 1 Dover Place Ashford Kent TN23 1FB	
<b>Bankers</b>	Barclays Bank PLC 9 St George's Street Canterbury Kent CT1 2JX	
<b>Investment advisors</b>	Charles Stanley & Co Limited 55 Bishopsgate London EC2N 3AS	

## **TURNER CONTEMPORARY**

### **CHAIR'S FOREWORD**

#### ***FOR THE YEAR ENDED 31 MARCH 2021***

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Last year was an incredibly challenging year for everyone. It is not how we would have wished to start to celebrate our 10th anniversary since opening our doors in April 2011.

Turner Contemporary continues to be the catalyst for the transformation of Margate and has done much to re-position the cultural sector in Kent. Whilst significant social and economic change has taken place in the town, there is still much to do. Earlier this year, the Government agreed a funding package of £22m to the town through the Margate Town Deal. The Covid-19 pandemic has highlighted the fragility of the economy and creative ecology of seaside towns, and we hope that further funding will be available through the Government's 'levelling-up' agenda.

In March 2020, we had to close the gallery and the majority of the gallery staff were placed on furlough leave at that time. A small group of staff worked remotely and did a fantastic job of rearranging exhibitions, providing digital content and managing the situation.

We were delighted to be able to reopen to our visitors in July 2020 with social distancing restrictions in place as well as other measures to ensure that staff and visitors were confident to return to the gallery. Due to a pre-planned capital programme in autumn 2020, the gallery was only open to visitors for six weeks (22 July – 6 September 2020) during the financial year. During 2020 – 21, we welcomed 24,276 visits as well as many thousands through our on-line programme of engagement.

Our programme in the gallery included an installation in our Sunley Gallery by the artist Barbara Walker, which explored themes of identity and featured sound and portraits of five local women from the African diaspora. The exhibition *We Will Walk: Art & Resistance in the American South* which opened on 7 February 2020 remained in situ until 6 September 2020 to ensure that as many visitors as possible were able to see it. In addition, the curatorial team worked in partnership with People Dem Collective to create a new exhibition for the Clore Learning Studio from 1 August – 6 September 2020.

Local contractors, WW Martin, started work on the capital project in early September 2020 and practical completion took place in spring 2021. The capital programme was funded by Kent County Council and Arts Council England. We are incredibly grateful to both organisations for making this possible. The programme of works has made improvements to the quality of the visitor experience and will support Turner Contemporary's future sustainability and resilience. Improvements include refurbished and increased WCs, a remodelled retail area, a finishing kitchen to support venue hire, LED lighting to all galleries and a pay and display car park to the rear of the gallery building. A programme of planned maintenance work will be taking place to the façade cladding over the next nine months or so.

We had planned to reopen the gallery from the February 2021 half term. However, further Government restrictions meant that we were unable to reopen until 18 May 2021. The team worked incredibly hard to ensure that we met this date following the extensive internal works by WW Martin. As well as installing a new suite of exhibitions, the team also had to undertake several deep cleans and reorganise ten years of accumulated paraphernalia. I am pleased that Turner Contemporary's new catering partner, local company Barletta, are now operating the gallery café.

Following an open recruitment process, I am delighted that five new trustees have joined the Board. These trustees, all with links to Kent, bring a range of skills and expertise to the organisation and existing vacancies have now been filled.

I am sad to report that our Director, Victoria Pomery, will be leaving Turner Contemporary in September 2021 after almost 20 years of service to take up a new role leading The Box in Plymouth. Victoria's leadership of the organisation has been fantastic and has been key in the development and success of the gallery since we opened in 2011. We are now engaged in the recruitment of a new director to build on the foundations that Victoria has laid and to take the gallery forward into its next ten years.

## TURNER CONTEMPORARY

### CHAIR'S FOREWORD

***FOR THE YEAR ENDED 31 MARCH 2021***

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The dedicated Board of Trustees and staff continue to deliver inspiring cultural and learning experiences and to support the sustainability of the gallery through fundraising and increased income generation. I would like to take this opportunity to thank all our funders and donors for their ongoing commitment to Turner Contemporary. This includes Arts Council England and Kent County Council, trusts and foundations, patrons and individual supporters. Your support means so much to us and makes such an incredible difference enabling Turner Contemporary to provide fantastic cultural experiences here in Margate. I would also like to thank the Board of Trustees for their commitment to the work of the gallery as well as all members of staff who continue to amaze me. Their creativity and productivity is astounding.



Clive Stevens DL

Chair

## **TURNER CONTEMPORARY**

### **REPORT OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

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The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in 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 published on 16 July 2014 as amended by Bulletin 1 and Bulletin 2.

#### **Objectives and activities**

The principal objective of the charitable company is the provision of a permanent Gallery in Margate which celebrates JMW Turner's association with the town and, through a varied programme of exhibitions, events and learning activities, promotes an understanding and enjoyment of historical and contemporary art.

The charitable objectives as set out in the governing document are:

- To promote art for the benefit of the public through activities including but not limited to exhibitions, displays, events and commissions including, but not limited to, those held at Turner Contemporary;
- To advance the education of the public, in particular but without limitation in the visual arts; and
- To promote the efficiency and effectiveness of registered charities and charitable organisations, including community groups, through the provision of premises or other spaces including, but not limited to, the Turner Contemporary building.

#### **Public benefit statement**

In planning future activity and in reviewing the charity's aims and objectives, the Charity Commission's general guidance on public benefit is considered. The charity's activities clearly relate to its legal objectives of promoting art for the benefit of the public and in advancing the education of the public.

The activities undertaken and achievements outlined allow an assessment of the contribution made by these activities towards furthering the charity's objectives. Turner Contemporary stresses the importance of ensuring the accessibility of its exhibitions and activities and all exhibitions held in 2020-21 were free to enter.

#### **Activities for achieving objectives**

At Turner Contemporary, we believe in the power of art to transform people and places, doing things differently to achieve our vision 'Art made Essential – to be leaders in social and economic sustainability; vitally connecting art, people and place, at home and around the world.'

Turner Contemporary is located in Margate, a seaside town on the north Kent coast that had experienced a significant and sustained period of decline as a tourist destination. Since opening in 2011, Turner Contemporary's presence has been a catalyst for Margate's transformation, and we have developed and maintained a local, national and international profile, attracting more than 3.6 million visits to the gallery from the local area, nationwide and abroad. Turner Contemporary has become the blueprint for arts led regeneration; we have generated many millions of spend into the local economy whilst successfully changing perceptions of Margate and the wider area. Margate has become a 'must-see' destination for visitors, and Turner Contemporary has put the town back on the map.

A bold and ambitious artistic programme is at the heart of Turner Contemporary and ensures that we achieve our organisational aims, objectives and strategy; the programme is the driver in determining the long-term success and viability of the organisation. The programme showcases a varied and exciting range of exhibitions, commissions, events and activities for local, regional, national and international audiences. There is often a JMW Turner presence in the building as well as work by artists living and working today. Turner (1775-1851) was a regular visitor to Margate and made some of his best-known works on the north Kent coast. Our innovative and ambitious programmes have helped position Turner Contemporary as one of the foremost galleries in the UK.

## **TURNER CONTEMPORARY**

### **REPORT OF TRUSTEES**

***FOR THE YEAR ENDED 31 MARCH 2021***

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#### **Activities for achieving objectives (continued)**

The gallery is an amazing resource and a great space for learning, particularly for schools, colleges, universities, families and the wider community. The Learning Programme aims to transform the way adults, young people and children learn about and through the visual arts. It is inquiry based and brings together hands-on exploration with a philosophical structure that supports creative questioning and thinking. We provide a diverse range of learning opportunities, including a formal schools programme and a wider informal learning programme. The programme has touched the lives of thousands of individuals and has helped our audience access exhibitions in ways that are exciting and relevant, learn new skills, and ultimately enjoy their experience at the gallery. The breadth and accessibility of our programme continues to demonstrate the enormous public benefit that our work brings to the community.

Turner Contemporary continues to be an active member of the Plus Tate network – a partnership of museums and galleries from around the UK who work with Tate. This relationship enables us to borrow key works from Tate Collection as well as share curatorial knowledge, research and information on audiences. The gallery is also a member of the Contemporary Visual Arts Network, the Kent & Medway Cultural Transformation Forum and several regional, national and international networks.

#### **Strategic Report**

##### **Achievements and performance**

The quality of Turner Contemporary's artistic offer aims to attract diverse audiences and our profile has 'put Margate', quite literally, 'back on the map'. Turner Contemporary has become a must-see destination and our visitor satisfaction levels are very high. We've introduced new audiences to historical and contemporary art and embedded the gallery into the cultural and social life of Kent.

The 2020-21 year has been like no other. The gallery was only able to open to the public for six weeks due to Covid-related restrictions, as well as a pre-planned capital programme that started in autumn 2020. In spite of this, the Turner Contemporary team continued to deliver on the organisation's mission and vision. We moved some of our programme online: our exhibition, *We Will Walk: Art & Resistance in the American South*, which remained in situ at the gallery until 6 September 2020, was also available as a virtual tour enabling visitors to access the exhibition when the gallery was closed. We also delivered a series of mindfulness workshops online, which were led by artists and targeted at children, young people and families. We commissioned three artists to produce new digital works and used our social media platforms to engage with audiences. At the same time we are aware that some of our audiences do not have digital access, and other work included distributing over 6,500 free art activity packs through partners such as local food banks, schools, Age UK Thanet, Pilgrim's Hospice, Kent County Council social worker, health visitor networks and adult social care networks.

We established a new Community Rail Partnership (CRP) in collaboration with Thanet District Council and train operator Southeastern. Named the Isle Creative Community Rail Partnership, this is the first CRP in the country to be led by a cultural organisation. Chaired by Frank Martin of the One to One Collection, the CRP has commissioned Ramsgate-based artist Emily Peasgood to make a sound installation for the seven railway stations located across Thanet.

All except 11 of Turner Contemporary's 95 staff were furloughed to varying degrees between March and September 2020. When working remotely, the team re-planned and delivered activities online, adapted plans for future programmes, enhanced inhouse digital skills, worked to identify cost savings, and undertook strategic planning to protect the organisation's reserves and future resilience.



## **TURNER CONTEMPORARY**

### **REPORT OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Transformed lives**

We know that our work impacts on the lives of many individuals helping to reduce isolation, develop communication skills and improve health and well-being. In addition, our work has brought enormous economic benefits to the area.

Whilst the gallery was closed for most of the year, we continued to engage with audiences through our digital programme. The Open exhibition, which will be exhibited at the gallery in autumn 2021, is being curated by four community groups – Margate Pride, Turner Contemporary Access Group, Canvas 4 Equality and Age UK Thanet.

During 2020-21 work continued on two major programmes that Turner Contemporary is delivering with cultural partners across the South East: Pioneering Places in Ramsgate, and England's Creative Coast which is being delivered at seven galleries on the South East coast. Both projects have involved significant partnership working and community engagement. In Ramsgate, artist Conrad Shawcross has worked collaboratively with primary school children, whilst in Margate artist Michael Rakowitz has worked closely with members of the local community who have contributed artefacts for inclusion in his sculpture, 'April is the Cruellest Month'.

#### **Placed Margate at the heart of everything we do**

Turner Contemporary has a clear sense of place; we are an international gallery located in Margate. Our location, on the site where JMW Turner stayed on his frequent visits to Margate, is part of our story. The gallery is now very much part of our community and supports the social and economic regeneration of the entire area.

Driving large audiences has supported the wider regeneration of Margate and East Kent and is part of Turner Contemporary's mission. This has been achieved through the quality of our programmes and partnership working. We have developed and sustained a local, regional, national and international profile across all media channels.

#### **Economic Impact**

Since opening in 2011, our research has identified that the gallery has delivered:

- more than £80m into the local economy; £6.81m in 2019;
- more than 100 new businesses established;
- and supports direct and indirect employment of 203 FTEs.

This year, we have not generated the economic impact that we have had in previous years. The pandemic has created an alarming picture, and the long-term impact on the arts ecology and local economy is difficult to predict. The Turner Contemporary team is continually reviewing our activities and programme to ensure we keep economic impact as part of our wider objectives and vision.

#### **Arts Ecology**

This has been a very tough year for the arts and for artists in particular. The Turner Contemporary team has worked to ensure work undertaken has supported artists and creative ecologies across Kent, wherever possible.

- Turner Contemporary is an active member of various networks and sought to provide paid opportunities for artists during this time.
- We worked collaboratively with Open School East and 1927, two Margate based National Portfolio Organisations, to develop a series of on-line resources for young people focused on career opportunities in the creative industries.
- We launched three digital commissions by artists selected through a competitive open call. The open call process invited artists to submit proposals for work in any theme or genre, but particularly in response to the contemporary moment. The artworks were all created specifically to be experienced online and explored innovative and ambitious ways of using digital media to engage and connect with audiences.
- Our retail team have developed a retail strategy that has an increased focus on working with local artists and makers to develop products for sale in the Turner Contemporary shop; this strategy started to be delivered during 2020-21 through the online shop and will be embedded in the in-gallery shop during 2021-22.



## TURNER CONTEMPORARY

### REPORT OF TRUSTEES

**FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Achievements and performance (continued)**

##### **Maximised self-generated income**

- Turner Contemporary has a sustained focus on increasing the level of self-generated income in order to transform our business model and reduce the reliance on public sector investment. Income generation is delivered through our commercial and fundraising activities
- Our Development team has a significant revenue fundraising target to achieve. We have established an individual patrons and corporate patrons' scheme which now have active members. In addition, we apply to trusts and foundations for funding, some of which is for specific projects. Our donation boxes are placed at strategic points throughout the gallery and our messaging encourages visitors to give. We encourage the use of Gift Aid which increases the value of any gifts
- Our trading arm, Turner Contemporary Enterprises, comprising catering, retail and venue hire, gifts profits back to the charity
- We have worked hard to create a culture of philanthropy in the organisation and all our staff and trustees are encouraged to actively participate in this area of our work

##### **Delivered an innovative learning and exhibition programme**

At Turner Contemporary we place our programme, audiences and artists at the heart of what we do. We have an integrated approach to programming that is ambitious and diverse, and challenges and inspires our audiences. The public programme aims to engage with individuals who would not ordinarily visit a gallery by programming a dynamic, diverse and accessible programme of cultural activity. The learning programme enables our audiences to access exhibitions in new and exciting ways, both through our schools programme and wider community based learning.

The exhibition programme is planned many years in advance and offers a fresh and sensitive approach to the work of JMW Turner, whilst engaging audiences with innovative work by living artists. The exhibition programme aims to be international and ambitious, whilst also relevant to Margate and our audiences. Currently, the programme is co-ordinated around three seasons per annum and strongly supports the Arts Council's Seven Quality Principals and we work with Artwork Bridge along with other organisations locally, nationally and internationally.

We achieve this by:

- Striving for excellence in everything we do;
- Working with leading artists in the UK and overseas;
- Collaborating with diverse partners;
- Using audience research and critical feedback to inform our future planning and delivery;
- Creating and evaluating our interpretative methods; and
- Focusing on the quality of our welcome and customer service

##### **Our Learning Programme**

Our schools programme aims to transform the way teachers, young people and children learn about, and through, the visual arts. It brings together hands-on exploration with a philosophical structure, as well as providing a comprehensive offer for schools visiting the gallery.

Our face-to-face work was significantly curtailed in 2020-21 and there was no real engagement with schools. However, we continued to operate in the digital sphere and put in place measures to move specific elements of programme into future years whilst continuing to develop learning opportunities for adults.

We were able to deliver several strands of our programme including a programme of skills and training to a small group of long-term unemployed people through the generous support of a major donor.

## TURNER CONTEMPORARY

### REPORT OF TRUSTEES

**FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Achievements and performance (continued)**

##### **Our Exhibition Programme**

Our ambitious exhibition programme is planned in advance and focuses on historical and contemporary art, group, themed and one-person shows. Our plans in 2020-21 changed several times as the situation unfolded. We have been pragmatic and creative in our approach and managed to reopen in July 2020 with a fantastic artistic programme. This included:

##### ***Sunley Gallery: Barbara Walker, Place, Space and Who***

**12 April 2019 – Autumn 2021**

For over 20 years, Walker has been committed to a practice of figurative drawing and painting, concerned with class, gender, race, power and representation. Working in a wide range of media, from wall drawings to embossed works on paper, her work is about making people visible and challenging the absence and misrepresentation of marginalised and overlooked subjects.

We commissioned Barbara Walker to be our artist in residence and to make a new series of large-scale portraits of local women for the Sunley Gallery. "For Place, Space and Who I was concerned with what it is to be seen as belonging to a minority group," says Walker. During the residency, she connected with women and girls from different generations, both longstanding residents and more recent arrivals to Margate and Kent. In addition, a sound piece created in collaboration with artist Dan Scott captures the voices of the sitters, exploring their different viewpoints and experiences of living in and moving to this area.

In this work, and throughout her practice, Walker has drawn on traditions of portraiture in Western art history, attuned to the ways identity and power are reflected in clothing, framing and symbolic objects. These portraits, rendered in charcoal and Margate chalk, are about "reclaiming a space," says Walker, "they reflect upon the strength and character of women and girls who have been key to establishing this place as home, and their respective contributions through social and cultural gestures – which can be large or small." Walker's work will remain in situ until autumn 2021.

During lockdown and closure, a monograph on Walker's work has been developed and will be launched in July 2021.

##### ***Spring/Summer 2020: We Will Walk – Art of Resistance in the American South***

**1 February – 6 September 2020**

*We Will Walk – Art and Resistance in the American South* was the first exhibition of its kind in the UK and revealed a little-known history shaped by the Civil Rights period in the 1950s and 60s.

It brought together sculptural assemblages, paintings and quilts by more than 20 African American artists from Alabama and surrounding states. The artists represented in the exhibition lived through the Civil Rights struggle and its aftermath, often in conditions of poverty. This art is characterised by the remaking and reuse of materials through necessity, custom, culture and innovation as well as a vital connection to place and nature. The exhibition also featured Civil Rights music and documentary photographs that revealed the links between the art and its context.

The exhibition was curated by Hannah Collins and Paul Goodwin.

##### ***Margate to Minneapolis***

**1 August – 6 September 2020**

This exhibition was developed as a response to the *We Will Walk* exhibition by members of People Dem Collective. It brought together material that had been produced for two Thanet marches in support of Black Lives Matter.

## TURNER CONTEMPORARY

### REPORT OF TRUSTEES

#### FOR THE YEAR ENDED 31 MARCH 2021

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##### Financial review

Total income for the year amounted to £2,833,862. (2020: £3,687,902). Expenditure amounted to £2,383,881 (2020: £4,116,340). The above movements resulted in net income for the year of £449,981 (2020: net expenditure £428,348).

The surplus for the financial year is partly due to the receipt of restricted funds that are due to be spent over a period of up to three years. Due to the accounting requirements of the Statement of Recommended Practice (see note 1.1 for further detail), the grant income is required to be accounted for in the current year. Therefore, while the income is accounted for in the current year, expenditure in relation to these projects will be accounted for in future accounting periods. These funds are included in part of restricted funds carried forward.

Turner Contemporary ended the financial year with consolidated unrestricted funds of £717,198 (2020: £385,375) an increase of £331,823 from the prior year. Turner Contemporary aims to build a surplus in order to develop the organisational operating reserve.

The trustees reported a net surplus in endowment funds of £640,987 (2020: deficit £72,311), and a net surplus in restricted, unrestricted and non-charitable funds of £414,537 (2020: deficit £487,374). The balance sheet at 31 March 2021 shows a total funds position of £4,421,007 (2020: £3,365,483).

##### Endowment

The Catalyst Endowment has been established to provide an investment return to support commissions in the public realm, events outside the gallery and residency programmes. The endowment has a value as at 31 March 2021 of £3,034,860 (2020: £2,393,873).

The Endowment is managed by Charles Stanley and is overseen by the Board. The trustees' policy is to balance income and capital returns and will be managed to maintain at least the real capital value of the Endowment whilst generating an investment income to support the charitable objectives. A total return approach is used, providing for inflation and using the residual as income for activities.

The Trustees regularly review the level of risk given the prevailing state of the economic and political climate, which informs the investment allocation. In line with the total return approach applied to the investment of the Endowment, the Trustees will periodically decide on the portion for the funds' returns to draw for revenue expenditure by the gallery.

##### Endowment policy

- The endowment is invested to produce the best financial return within an acceptable level of risk;
- The investment objective is to balance income and capital returns;
- The assets should be managed to at least maintain the real capital value of the endowment over the medium-term, whilst generating adequate investment income to support the charitable activities of the gallery;
- The Board of Trustees will seek to achieve this objective in a total return setting, providing first for inflation proofing of capital and aiming to use the residual as income for its activities;
- The endowment should assume that it is unlikely to generate returns higher than inflation plus 3% (nominal return of 3-6%) and plan its activities accordingly; and
- A set current income target does not seem appropriate in today's environment but this may change if bond yields rise back towards more normal levels.

## TURNER CONTEMPORARY

### REPORT OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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#### *Reserves policy*

Turner Contemporary considers a broad range of factors in its reserves policy. The organisation's activities and structures are somewhat complex, operating a public space comes with substantial public liabilities, and there are risks arising from engagement in trading or provision of goods and services under contract. Turner Contemporary has three reserve funds, Endowment (restricted), Restricted and Unrestricted, and has a long-term lease on a complex building and operates a trading subsidiary.

The Trustees have agreed a Reserves Policy, which is a product of strategic planning, budgeting and risk management. The policy requires that the company's core activity, funded through the unrestricted reserve, could continue for six months during a period of unforeseen difficulty, which is in line with the Charities Commission recommendation for large complex undertakings. To support this, in 2020 trustees agreed that unrestricted reserves should not be permitted to fall below £250,000 at any time. The unrestricted reserve totals £707,802 (2020: £337,115) against the organisational ambition to develop an unrestricted reserve of approximately £1,250,000 (2020: £1,250,000).

Establishing a six-month operating reserve will support the organisation in trading through potential adversity and will take account of future commitments and reduction of finances from key public funders. The calculation of the required level of reserves is an integral part of the organisation's planning, budgeting and forecasting. The level of reserves from unrestricted funding will be worked towards over a ten-year period. The level of reserves will be monitored and reviewed by the trustees on an annual basis.

At 31 March 2021 restricted funds amounted to £668,949 (2020: £586,235). See note 17 for further information, and for the projects to which these funds relate. It should be noted that most of these restricted funds result from funding, that is due to be spent over several years, being received in advance. This has led to a large in-year surplus on restricted funds in these financial statements. In future years, as the money is spent, large in-year deficits are expected on restricted funds. This has been accounted for in line with the Charities Statement of Recommended Practice.

At 31 March 2021 endowment funds amounted to £3,034,860 (2020: £2,393,873). See note 16 for further information.

#### **COVID-19**

Turner Contemporary closed to the public in March 2020, in line with Government and other guidance, pending lockdown parameters, and in consultation with sector funders and peers. During the period of gallery closure, access to the building was limited to a few specialist staff who undertook essential building maintenance and cleaning, security monitoring, and artwork condition checking as stipulated by lenders, Turner Contemporary's risk management consultants, and industry best practice.

Turner Contemporary staff moved to home working, and the majority of gallery staff, including all front of house staff, were placed on furlough leave under the Coronavirus Job Retention Scheme. The scheme has gone a significant way to providing income to offset Turner Contemporary's fixed staff cost base, and to compensate for the loss of other income sources.

The gallery reopened to the public on 22 July 2020, until the pre-planned closure for capital refurbishment works from 7 September 2020. The Turner Contemporary team undertook significant risk assessment and advice in line with industry standards and expert advice. The trustees were satisfied that the gallery was reopened in line with best practice and Government and industry guidelines, and that the Covid-19 related risks to both visitors and staff have been effectively managed.

The projected total loss of income during 2020-21 from retail, venue hire and catering commission as a result of the gallery closure, limitations on visitors when open, the closure of the café, which was unable to reopen during summer 2020, and limitations on delivery of venue hire and associated catering, is £241k.

## TURNER CONTEMPORARY

### REPORT OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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#### COVID-19 (continued)

The costs of reopening the gallery during summer 2020, in line with physical distancing measures, ticketing for visit number management and tracking processes, were around £15,000, with ongoing monthly costs of £1-2k for PPE and associated safety measures.

We had anticipated reopening the gallery in February 2021, however, this wasn't possible because of the third lockdown. In addition, completion of our capital programme was delayed because of issues related to Covid and Brexit.

The future impact of Covid-19 on budgets and financial forecasts is difficult to predict, but the team has taken a prudent approach to budgeting, and has reconfigured the exhibitions programme for 2021-22 to deliver two exhibition seasons rather than three, as well as carefully managing other costs. Projects and programmes have been postponed and budgets reforecast with an underlying aim of limiting additional costs arising from postponement.

#### Future developments

The 2020-21 financial year was particularly challenging, and there remains uncertainty about how 2021-22 will develop across the cultural sector.

The impact of Covid-19 has been substantial on the gallery and our community. Ongoing social distancing measures continue to limit many areas of our work, as they did in 2020-21. Nonetheless, we remain committed to finding new and innovative ways to maintain and develop the quality of our work. Covid-19 has highlighted the importance of the arts and creativity and the gallery has continued to have an on-line presence whilst we were closed during the lockdown.

We also used this time to consider our future and have developed a new vision and programme strategy for 2020-30. We continue to explore the possibility of the development of the Rendezvous site, the land at the rear of the gallery which is owned by Kent County Council.

We were able to reopen the gallery on 18 May 2021, our tenth anniversary year of operation. We have developed an ambitious programme of exhibitions and events to mark this anniversary year and it has been fantastic to welcome our audiences back. We've anticipated that some form of social distancing will be in place into the autumn of 2021 and have used our learning from our period of opening in summer 2020 to inform our operations.

Our re-opening season of exhibitions brings together new work by Ellen Harvey alongside a selection of works by JMW Turner. In addition, we are showing a moving image piece, Ashes, by Steve McQueen. Barbara Walker's powerful installation remains in situ until autumn 2021. Her monograph will be launched in summer 2021. Our next Sunley Gallery commission is by artists Ann Ryan and Sophie von Hellermann. Both artists have a relationship with Margate and are working collaboratively to develop an exciting new work for our large, light-filled Sunley Gallery.

Our spring season will be followed by an exhibition celebrating the power of creativity. We are working with members of our community on a curated Open exhibition which brings together a range of practice from artists across Kent. We are really excited by the possibilities of this exhibition which chimes with Turner Contemporary's values and ethos.

Several elements of our programme from 2020 were postponed and will now be taking place in 2021. This includes Pioneering Places and England's Creative Coast.

Pioneering Places is a substantial off-site project. Conrad Shawcross has been commissioned by local school children to create a major new artwork for Ramsgate Royal Harbour. This will now be installed in July 2021 and will be the culmination of 'Pioneering Places', an ambitious multi-year project happening across East Kent to encourage local people to get involved with cultural organisations and shape the place where they live.

England's Creative Coast (ECC) led by Turner Contemporary in collaboration with Visit Kent is a large project involving seven cultural organisations across Essex, Kent and East Sussex. It includes seven artist commissions, geo-caching and public engagement programmes to drive cultural tourism. This project launched in April 2021 and is supporting the recovery of tourism in the south east.



## **TURNER CONTEMPORARY**

### **REPORT OF TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Future developments**

The 2022-23 programme is under development and includes the first major institutional show of British-Ghanaian artist Larry Achiampong which will tour to Baltic Centre of Contemporary Art, Newcastle and MK Gallery, Milton Keynes. At Turner Contemporary it will be paired with a display of works by JMW Turner, curated by Achiampong.

Achiampong's solo and collaborative projects span moving image, sculptural installation, collage, live performance and sound. He is best known for his bold, yet poetic moving image works, combining cinematic imagery, spoken narratives and electro-synth scores, composed by the artist. Examining his personal heritage and suppressed histories, his work explores issues of class, post-colonialism, cross-cultural and post-digital identity.

In summer 2022 we are partnering with MK Gallery on their one-person exhibition of photographer Ingrid Pollard. The exhibition will include work from the 1970s to the present exploring how images and identity are constructed, especially in representations of history and the landscape.

This is followed by an exhibition of Sonia Boyce's work, whose new installation for the 59th Venice Biennale will travel to Turner Contemporary in the spring of 2023 as part of a short tour organised by the British Council. Boyce came to prominence in the early 1980s as a key figure in the burgeoning Black-British art scene, actively participating in critical discussions and exhibitions for racial equality. For this exhibition she is creating an immersive new audio-visual installation with acapella singing by five pioneering black female singers.

We are working with the Liberty Property Group, Kent County Council and the University for the Creative Arts (UCA) on a public art commission at Kings Hill in west Kent. Artist and designer Yinka Ilori began his residency there in April 2021. He will visit the site regularly over the next three months, engaging the residents and the business community, as well as students from project partners UCA. These workshops will feed into Ilori's ideas for the commission for the new public

After a formal tender process, local company Barletta have been contracted to operate the Turner Contemporary café, as well as catering to support our venue hire operation. We are delighted to be working in partnership with them.

Turner Contemporary's director, Victoria Pomery, will be leaving Turner Contemporary in September 2021. Victoria has worked with the organisation for almost 20 years and has been instrumental in the creation and development of the gallery. The trustees are in the process of recruiting a new director to lead the organisation.

#### **Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances. The Trustees believe that effective systems and controls are in place to mitigate these risks by ensuring that effective controls exist over key financial systems and by examining the operational and business risks faced by the charity.

Ongoing risk assessment and management is encouraged within the programme to enable delivery of a varied and engaging programme, and in developing commercial and philanthropic giving in order to support the long-term financial sustainability of the organisation. Turner Contemporary has a comprehensive risk management programme in place which is designed to ensure that significant and emerging risks are identified, assessed and managed effectively. Risk is managed to ensure that at all times we will comply with statutory and legal requirements and conditions set down by funding partners.

A Risk Register forms part of the Business Plan and is regularly appraised, reviewed and updated. The purpose of the Risk Register is to help all staff and Trustees identify and manage risks before they occur, rather than a reactive approach. Our approach to risk management enables us to fulfil our ambitions and maximise opportunities when they present themselves.

Key risks relate to staffing and funding. Turner Contemporary needs highly skilled and professional staff within the team. Recruitment in East Kent and within the museum and gallery sector is challenging. Our aims are to develop and retain staff, and also to ensure our staff base has a diversity of representation. We also work to ensure we recruit and programme in line with Arts Council England's Creative Case for Diversity.

## **TURNER CONTEMPORARY**

### **REPORT OF TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Risk management**

The other major organisational risk relates to core public funding from Kent County Council (KCC) and Arts Council England (ACE). Year on year, core funding from KCC has reduced and we are working closely with colleagues at the County Council to diversify our funding portfolio. In 2020-21, with support from KCC and ACE, we undertook a capital refurbishment programme focused on improvements to the quality of the visitor experience, to ensure Turner Contemporary's future sustainability and resilience.

#### **Going concern**

The principle financial risks facing the charity and its trading subsidiary are considered as part of the overall approach to risk management, but include variation to visitor forecasts, changes to income from Kent County Council and Arts Council England, unplanned expenditure and a volatile economic environment, particularly linked to the ongoing impacts of Covid-19, as well as Brexit. The trustees have reviewed the cash position of the charity and are satisfied that the charity will be able to meet its financial commitments.

Trustees have forecast a break-even position in unrestricted funds for 2021-22, despite the financial impacts of Covid-19 and the closure of the gallery, and are working hard to manage budgets and programming for 2022-23. While the endowment funds decreased in value during the period of lockdown for Covid-19, the portfolio valuation has more than recovered and is continuing to deliver a healthy income for the gallery in line with prior performance.

The Trustees believe that the charity is well placed to manage its financial risks successfully and have a reasonable expectation that there is a sufficient level of reserves for the operation to continue. Accordingly, the trustees continue to adopt the going concern basis in preparing the financial statements

#### **Fundraising**

Turner Contemporary is a charity and has ambitious annual fundraising targets. We employ a small in-house Development Team who work on all aspects of our fundraising. We do not employ any external professional fundraisers to fundraise on our behalf but all staff members and any volunteers, including trustees, involved in fundraising activities are trained in accordance with recognised standards to ensure that the public, including vulnerable people, are protected from unreasonable or intrusive approaches.

Turner Contemporary has not received any complaints about our fundraising activities and we are GDPR compliant.

#### **Museums and Galleries Exhibitions Tax Relief**

We welcome the opportunity to claim tax relief on the research and development of our exhibitions programme. We will submit claims for 2020-21 during 2021.

#### **Structure, governance and management**

The company is a charitable company limited by guarantee and is governed by its Articles of Association dated 12 December 2008. It is registered as a charity with the Charity Commission under number 1129974. Turner Contemporary originally became a charity on 3 June 2009.

Turner Contemporary Enterprises Limited, a private limited company registered in England and Wales, is a wholly owned subsidiary of Turner Contemporary.

The trustees of Turner Contemporary who served during the year are:

Clive Stevens DL (Chair)	Peter Hawkes (Appointed April 2021)
Laura Wright (Vice Chair)	Sarah Hohler
Caroline Alton	Yasmin Khan (Appointed April 2021)
Michael Armitage (Resigned April 2021)	Kemet Hawthorne Pink
Vivienne Bennett	Professor Simon Ofield-Kerr
Jill Constantine	Piers Sanders
Martin Cook	Sara Woodward (Resigned June 2020)
Sir Stephen Deucher (Appointed April 2021)	Keith Valentine (Appointed April 2021)
Lucy Edematie (Appointed April 2021)	



## TURNER CONTEMPORARY

### REPORT OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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#### **Appointment and recruitment of trustees**

The management of the company is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. There must be a minimum of six trustees. One trustee shall be appointed by the Local Authority. Each trustee must retire from office at the third annual retirement meeting following the commencement of their term of office. Retiring trustees may be reappointed unless they have served for two consecutive terms of office whereby they cannot be reappointed until the earlier of a) anniversary of the commencement of their break from office and b) the annual retirement meeting following the annual retirement meeting at which their break from office commenced.

A nominations committee was formed in 2019-20 in order to manage the recruitment of new trustees. Following an open recruitment process, five new trustees with extensive skills and experience were appointed to the Board in 2021 and took up their posts from 1 June.

#### **Policies adopted for the induction and training of trustees**

New trustees are recruited according to the trustees and Director's ongoing assessment of the overall skills required to be represented on the Board and what additional skills are needed to complement the overall mix.

Newly appointed trustees receive briefings from the Chair, Director and Strategic Leadership Team and are provided with relevant Charity Commission guidance. All trustees are encouraged to attend appropriate training courses.

#### **Organisational structure and decision making**

The Board currently comprises 11 trustees who have delegated powers to the Executive team to make expenditure decisions up to £50,000.

The following sub-committees of the Board meet regularly:

- Finance
- Artistic and Learning Programme
- Fundraising and Development
- Digital Transformation

In addition, to the sub-committees, we have a Turner Contemporary Enterprises Board which supports and guides our commercial activities. All sub-committees report to the full Board at the quarterly Board meetings.

The day to day activities of the gallery are managed by the Director, Victoria Pomery and the Strategic Leadership team.

#### **Pay policy for key management personnel**

All trustees give of their time freely and no trustee received remuneration in the year. The pay of senior staff is reviewed annually by the Director and Board of Trustees. The director's remuneration is a decision of the Board.

#### **Trustees responsibilities**

The trustees (who are also directors of Turner Contemporary for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law and the law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing those 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 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the charitable company will continue in business.

## TURNER CONTEMPORARY

### REPORT OF TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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#### Trustees responsibilities (continued)

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

#### Auditor

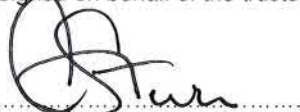
In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

#### Disclosure of information to auditors

Each of the trustees have confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Signed on behalf of the trustees:



Clive Stevens DL

Chair

Date: 16 September 2021

## TURNER CONTEMPORARY

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TURNER CONTEMPORARY

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#### Opinion

We have audited the financial statements of Turner Contemporary (the parent charitable company) and its subsidiaries (the group) for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charitable Company Balance Sheet, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2021, and of the group's 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 of 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 group and 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We draw attention to the disclosures relating to the impact of Covid-19 since the year end set out in notes 1.12 and 24. Our opinion is not modified in respect of this matter.

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TURNER CONTEMPORARY

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**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

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

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

In the light of our 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 strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 13, 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 group's and 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 group or 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TURNER CONTEMPORARY

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**Auditor's responsibilities for the audit of the financial statements (continued)**

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.



## TURNER CONTEMPORARY

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TURNER CONTEMPORARY

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

#### **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.

*Azets Audit Services Limited*

Michelle Wilkes FCA  
(Senior Statutory Auditor)  
for and on behalf of Azets Audit Services  
Statutory Auditor  
Date: 4 November 2021

5th Floor  
Ashford Commercial Quarter  
1 Dover Place  
Ashford  
Kent. TN23 1FB

**TURNER CONTEMPORARY**

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

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
<b>Income and endowments from:</b>						
Donations and legacies	2	84,701	37,940	-	122,641	283,126
Charitable activities	3	1,593,991	487,585	-	2,081,576	2,610,902
Other trading activities	4	92,963	-	-	92,963	482,452
Investments		1,157	-	51,574	52,731	63,428
Museums and Galleries Tax Relief		125,180	-	-	125,180	220,016
Other	5	338,772	20,000	-	358,772	27,978
<b>Total income and endowments</b>		<b>2,236,764</b>	<b>545,525</b>	<b>51,574</b>	<b>2,833,863</b>	<b>3,687,902</b>
<b>Expenditure on:</b>						
Raising funds		292,589	-	-	292,589	557,612
Charitable activities		1,640,661	443,640	16,130	2,100,431	3,548,157
Corporation tax - trading		(9,139)	-	-	(9,139)	10,571
<b>Total expenditure</b>	6	<b>1,924,111</b>	<b>443,640</b>	<b>16,130</b>	<b>2,383,881</b>	<b>4,116,340</b>
<b>Net income / (expenditure) before gains / (losses) on investments</b>		<b>312,653</b>	<b>101,885</b>	<b>35,444</b>	<b>449,982</b>	<b>(428,438)</b>
Net (losses) / gains on investments	13	-	-	605,543	605,543	(131,247)
<b>Net (expenditure) / income before transfers</b>		<b>312,653</b>	<b>101,885</b>	<b>640,987</b>	<b>1,055,525</b>	<b>(559,685)</b>
<b>Transfer between funds</b>	17	<b>19,171</b>	<b>(19,171)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>331,824</b>	<b>82,714</b>	<b>640,987</b>	<b>1,055,525</b>	<b>(559,685)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		385,375	586,235	2,393,873	3,365,483	3,925,168
<b>Total funds carried forward</b>		<b>717,199</b>	<b>668,949</b>	<b>3,034,860</b>	<b>4,421,008</b>	<b>3,365,483</b>

All of the above amounts relate to continuing activities.



TURNER CONTEMPORARY

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

Comparative only		Unrestricted funds	Restricted funds	Endowment funds	2020 Total funds
	Note	£	£	£	£
<b>Income and endowments from:</b>					
Donations and legacies	2	188,126	95,000	-	283,126
Charitable activities	3	1,621,372	989,530	-	2,610,902
Other trading activities	4	482,452	-	-	482,452
Investments		4,492	-	58,936	63,428
Museums and Galleries Tax Relief		220,016	-	-	220,016
Other		27,978	-	-	27,978
<b>Total income and endowments</b>		<b>2,544,436</b>	<b>1,084,530</b>	<b>58,936</b>	<b>3,687,902</b>
<b>Expenditure on:</b>					
Raising funds		557,612	-	-	557,612
Charitable activities		2,154,029	1,394,128	-	3,548,157
Corporation tax - trading		10,571	-	-	10,571
<b>Total expenditure</b>	5	<b>2,722,212</b>	<b>1,394,128</b>	<b>-</b>	<b>4,116,340</b>
<b>Net income before gains on investments</b>		<b>(177,776)</b>	<b>(309,598)</b>	<b>58,936</b>	<b>(428,438)</b>
Net gains on investments	12	-	-	(131,247)	(131,247)
<b>Net income before transfers</b>		<b>(177,776)</b>	<b>(309,598)</b>	<b>(72,311)</b>	<b>(559,685)</b>
Transfers between funds	15	60,000	-	(60,000)	-
<b>Net movement in funds</b>		<b>(117,776)</b>	<b>(309,598)</b>	<b>(132,311)</b>	<b>(559,685)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		503,151	895,833	2,526,184	3,925,168
<b>Total funds carried forward</b>		<b>385,375</b>	<b>586,235</b>	<b>2,393,873</b>	<b>3,365,483</b>

All of the above amounts relate to continuing activities.

# TURNER CONTEMPORARY

## CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
Gross income of charitable operations	2,782,289	3,628,966
Total expenditure of continuing operations	(2,376,890)	(4,105,769)
<b>Net income / (expenditure) before tax for the year</b>	<u>405,400</u>	<u>(476,803)</u>
Taxation	9,139	(10,571)
<b>Net income / (expenditure) for the year</b>	<u><u>414,539</u></u>	<u><u>(487,374)</u></u>

- A detailed analysis of income by source is provided in the Statement of Financial Activities.
- A detailed analysis of Net Income before Investments is shown in the Statement of Financial Activities.
- The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 20 which together with the Notes to the Accounts on pages 26 to 36 provides full information on the movements during the year on all funds of the group.

There are no gains or losses for the year other than those recognised in the Statement of Financial Activities.

TURNER CONTEMPORARY

CONSOLIDATED BALANCE SHEET  
AS AT 31 MARCH 2021

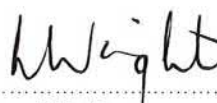
		2021		2020	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		14,896		36,034
Investments	13		2,936,473		2,300,131
			<u>2,951,369</u>		<u>2,336,165</u>
<b>Current assets</b>					
Stock - finished goods	14	33,014		50,252	
Debtors	15	387,364		253,725	
Cash at bank and in hand		<u>1,097,168</u>		<u>761,017</u>	
		1,517,546		1,064,994	
<b>Creditors: amounts falling due within one year</b>	16	<u>(47,906)</u>		<u>(35,677)</u>	
<b>Net current assets</b>			1,469,639		1,029,317
<b>Total assets less current liabilities</b>			<u>4,421,008</u>		<u>3,365,483</u>
<b>Funds</b>					
Permanent endowment funds	18		2,825,831		2,220,288
Expendable endowment funds	18		209,029		173,585
Restricted funds	17		668,949		586,235
Unrestricted funds			707,802		337,115
Non-charitable funds	13		9,397		48,260
<b>Total funds</b>	19		<u>4,421,008</u>		<u>3,365,483</u>

The financial statements were approved and authorised for issue by the Board on 16 September 2021

Signed on behalf of the board of trustees



Clive Stevens DL  
Trustee



Laura Wright  
Trustee

Company Number: 06772337


TURNER CONTEMPORARY

CHARITY BALANCE SHEET  
AS AT 31 MARCH 2021

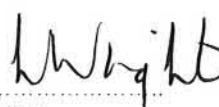
		2021		2020	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		9,951		30,770
Investments	13		2,937,573		2,301,231
			<u>2,947,524</u>		<u>2,332,001</u>
<b>Current assets</b>					
Debtors	15	451,501		338,422	
Cash at bank and in hand		<u>1,053,159</u>		<u>665,471</u>	
		1,504,660		1,003,893	
<b>Creditors: amounts falling due within one year</b>	16	<u>(40,575)</u>		<u>(18,671)</u>	
<b>Net current assets</b>			1,464,086		985,222
<b>Total assets less current liabilities</b>			<u>4,411,610</u>		<u>3,317,223</u>
<b>Funds</b>					
Permanent endowment funds	18		2,825,831		2,220,288
Expendable endowment funds	18		209,029		173,585
Restricted funds	17		668,949		586,235
Unrestricted funds			707,802		337,115
<b>Total funds</b>			<u>4,411,611</u>		<u>3,317,223</u>

The financial statements were approved and authorised for issue by the Board on 16 September 2021

Signed on behalf of the board of trustees



Clive Stevens DL  
Trustee



Laura Wright  
Trustee

Company Number: 06772337

**TURNER CONTEMPORARY**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Group 2021 £	2020 £
<b>Cash flow from operating activities</b>	<b>21</b>	<b>370,380</b>	<b>(561,938)</b>
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		(3,432)	(26,699)
Payment to acquire fixed asset investments		(281,274)	(444,008)
Proceeds on disposal fixed asset investments		250,477	405,510
<b>Net cash flow from investing activities</b>		<b>(34,229)</b>	<b>(65,197)</b>
<b>Net increase in cash and cash equivalents</b>		<b>336,151</b>	<b>(627,136)</b>
<b>Cash and cash equivalents at 1 April 2020</b>		<b>761,017</b>	<b>1,388,153</b>
<b>Cash and cash equivalents at 31 March 2021</b>		<b>1,097,168</b>	<b>761,017</b>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		1,097,168	761,017
<b>Cash and cash equivalents at 31 March 2021</b>		<b>1,097,168</b>	<b>761,017</b>

## TURNER CONTEMPORARY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies

##### 1.1 Basis of accounting

Turner Contemporary is a registered charitable company in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities is the provision of a permanent Gallery in Margate which celebrates JMW Turner's association with the town and, through a varied programme of exhibitions, events and learning activities, promotes an understanding and enjoyment of historical and contemporary art.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. 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 (FRS 102) issued on 16 July 2014 as amended by Bulletin 1 and Bulletin 2 and the Financial Reporting Standard applicable in the United Kingdom (FRS 102) and the Charities Act 2011.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

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

##### 1.2 Consolidation

In the opinion of the member of the committee, the company and its subsidiary undertakings comprise a small group.

The consolidated financial statements incorporate the results of the charity and its trading subsidiary, Turner Contemporary Enterprises Limited, for the year ended 31 March 2021. Its other subsidiary, Turner Rooms Limited, is not included in the consolidated accounts on the grounds it is not material. As a consolidated Statement of Financial Activities is published, a separate Statement of Financial Activities for the parent company is omitted from the group statements by virtue of Section 408 of the Companies Act 2006.

##### 1.3 Fund accounting

Unrestricted general funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restriction arises when specified by the donor or when funds are raised for particular restricted purposes.

The endowment fund is where funds have been provided by donors or grant-giving bodies on the condition that they must be retained in order to generate investment income to be used in line with the terms of the donation.

Income arising on endowment funds is generally expendable and is distributed to income funds in order to be spent.

##### 1.4 Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

- Donations are recognised when they are received and any income tax recoverable in relation to donations received under gift aid is recognised at the time of the donation.
- All grant income is recognised when the company is legally entitled to the income and the amount can be reliably estimated. Where grant income received relates to a later period, the appropriate amount is deferred to that period.
- Exhibition income is recognised in the period in which the funds are available to spend.
- Museum and Galleries Tax Relief is recognised once the claim has been processed by HMRC and receipt is probable.

## TURNER CONTEMPORARY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies (continued)

##### 1.5 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of generating funds are those costs incurred in attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for beneficiaries. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Exhibition costs are recognised across the duration of the exhibition from the initial preparation to the removal of the exhibition and not for the duration of the exhibition in the gallery.
- Support costs have been allocated to categories on a basis consistent with the use of resources e.g. staff costs by time spent.

##### 1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Fixed assets below £500 are not capitalised.

Equipment	50% straight line
Fixtures and fittings	25% straight line

##### 1.7 Stocks

Stock is valued at the lower of cost and net realisable value.

##### 1.8 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

##### 1.9 Debtors and creditors receivable / payable within one year

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

##### 1.10 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

The tax currently payable is based on taxable profit for the year and represents tax on the trading subsidiary's profits. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The trading subsidiary company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### 1.11 Judgements and key sources of estimation uncertainty

Accounting estimates and judgements 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.

###### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property plant and equipment, and note 1.6 for the useful economic lives for each class of assets.



## TURNER CONTEMPORARY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 1 Accounting policies (continued)

##### 1.12 Going concern

The trustees are of the opinion that Turner Contemporary is a Going Concern as at 31 March 2021.

The organisation has significant core funding from Kent County Council, and the current round of Arts Council England NPO funding has been extended until the end of 2022-23. Turner Contemporary management has forecast a break-even position in unrestricted funds for 2021-22, despite the ongoing financial impacts of Covid-19 and the closure of the gallery, and are working to develop a break-even budget for 2022-23 in unrestricted funds, through management of budgets and programming. Cash held is healthy, and cashflow projections show no risk of cash deficits over 2021-22. Funds held for restricted funds purposes have been reviewed and budgets reflect any postponements of projects due to Covid-19. Turner Contemporary does not expect to have to return any restricted funds held for non-performance of contracted/granted activities. The Turner Contemporary Endowment portfolio has recovered its value from the immediate impact of the Covid-19 pandemic and was valued at £3.07m as at 30 June 2021. Income projections are in line with prior years, and continue to deliver a healthy income for the gallery. The Endowment is managed by Charles Stanley with a medium-low risk management profile, and therefore the medium-term risks to the valuation are considered low.

##### 1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 2 Donations and Legacies

	2021	2020
	£	£
Donations and sponsorships	60,528	240,829
Corporate patrons	62,113	42,297
	<u>122,641</u>	<u>283,126</u>

#### 3 Income from charitable activities

	2021	2020
	£	£
<b>Grants receivable</b>		
Kent County Council - Core	590,000	660,000
Arts Council England - Core	681,791	669,473
Kent County Council - Rendezvous	295,000	295,000
Kent County Council - Creative Coast	-	10,000
Arts Council England - Creative Coast	120,000	180,000
Arts Council England - Turner Prize	-	87,600
Arts Council England - Strategic Touring	-	111,862
Arts Council England - Covid Recovery Fund	104,000	-
Arts Council England - Margate Now	21,900	-
AKO Foundation	-	50,000
Artwork	-	10,000
Colyer Fergusson	-	15,000
Creative Folkestone	48,866	103,414
Dreamland	-	12,750
East Sussex County Council	14,000	15,000
Esmée Fairbairn Foundation	40,700	42,400
Esmée Fairbairn Foundation - Covid Funding	21,200	-
Freelands Foundation	-	150,000
Jerwood Charitable Foundation	-	1,957
Lawson Trust	-	10,000
South East Local Enterprise Partnership (SELEP)	50,000	100,000
Visit Kent	-	12,000
Wates Foundation	-	14,152
Chatham Dockyard	15,000	-
Metal Culture	12,718	-
University of the Arts London	11,000	-
Clore Duffield Foundation	25,000	-
Catalyst Cast	14,011	-
Other (less than £10,000)	16,390	60,294
	<u>2,081,576</u>	<u>2,610,902</u>

# TURNER CONTEMPORARY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

4	Income from other trading activities				2021 £	2020 £	
	Learning programme income				8,768	7,597	
	Public programme income				(1,037)	10,149	
	Trading subsidiary (see note 13)				85,232	464,706	
					<u>92,963</u>	<u>482,452</u>	
5	Other Income				2021 £	2020 £	
	Other income				15,806	27,978	
	Curatorial services				45,000	-	
	Job retention scheme grants				297,966	-	
					<u>358,772</u>	<u>27,978</u>	
6	Expenditure	Staff costs £	Direct costs £	Support costs £	2021 Total £	2020 Total £	
	Raising funds						
	Trading	102,516	47,807	19,935	170,258	407,702	
	Fundraising	92,530	2,756	27,045	122,331	149,910	
	Taxation	-	-	(9,139)	(9,139)	10,571	
	Charitable activities:						
	Exhibitions programme	339,035	423,794	166,924	929,752	2,134,320	
	Learning programme	268,370	72,525	142,440	483,335	652,565	
	Visitor experience	533,702	13,053	140,589	687,344	761,273	
		<u>1,336,153</u>	<u>559,935</u>	<u>487,794</u>	<u>2,383,881</u>	<u>4,116,340</u>	
7	Support costs	Raising funds £	Exhibition £	Learning £	Visitor £	2021 Total £	2020 Total £
	Trading costs	10,796	-	-	-	10,796	78,608
	Training and other staff costs	29	2,436	6,625	4,669	13,759	28,086
	Travelling	-	214	183	138	534	12,049
	Hospitality	133	233	201	159	727	18,649
	Light & heat	-	27,131	27,131	27,131	81,393	104,404
	Repairs and renewals	-	34,417	34,417	34,709	103,543	124,763
	Printing, postage & stationery	-	3,760	3,760	3,760	11,280	13,706
	Computer costs	6,403	11,631	11,221	11,382	40,637	56,434
	Telephone	-	7,212	7,212	7,212	21,637	22,578
	Insurance	-	18,175	9,531	9,531	37,237	35,747
	Subscriptions	-	10,543	2,663	1,480	14,686	16,300
	Licenses and fees	-	5,425	391	1,313	7,130	35,960
	Consultancy fees	-	12,995	12,995	12,995	38,985	38,880
	Professional fees	-	20,797	14,428	14,427	49,652	49,492
	Other support costs	20,480	1,645	1,372	1,373	24,871	26,821
	Depreciation	-	7,460	7,460	7,459	22,379	27,169
	Governance:						
	Audit	-	2,850	2,850	2,850	8,550	6,950
		<u>37,841</u>	<u>166,924</u>	<u>142,440</u>	<u>140,589</u>	<u>487,794</u>	<u>696,595</u>

# TURNER CONTEMPORARY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 8 Summary analysis of expenditure and related income for charitable activities.

This table shows the cost of the main charitable activities and the sources of income directly to support those activities.

	Exhibition £	Learning £	Visitor £	2021 Total £
Costs	(929,752)	(483,335)	(687,344)	(2,100,431)
Direct Income	352,108	193,417	-	545,525
Net cost funded from other income	(577,644)	(289,918)	(687,344)	(1,554,906)

### 9 Net income for the year

	2021 £	2020 £
This is stated after charging:		
Depreciation	24,569	29,240
Auditors remuneration		
- audit	8,550	6,950
- other services	6,798	5,950

### 10 Staff costs

	2021 £	2020 £
Wages and salaries	1,208,505	1,406,374
Social security costs	92,316	96,547
Other pension costs	35,332	39,239
	1,336,153	1,542,160

	2021 No.	2020 No.
The average number of employees, by headcount, during the year:		
Staff	82	106

The number of employees whose remuneration for the year fell within the following bands were:

	2021 No.	2020 No.
£80,000 to £89,999	1	1

The pension contributions for the employees in the above band were £6,019 (2020: £7,466).

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. As detailed above, no trustees received remuneration during the period. The remuneration to the employees, including employers national insurance and employers pension contributions, total £355,969 (6 people) (2020: 7 people £343,414).

### 11 Trustee remuneration

The trustees were not paid remuneration or reimbursed expenses during the year (2020: None).

# TURNER CONTEMPORARY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 12 Tangible fixed assets

<i>Group</i>	Fixtures, fittings & equipment £	Catering equipment £	Computer equipment £	Total £
<i>Cost</i>				
As at 1 April 2020	286,523	19,462	40,058	346,043
Additions	3,432	-	-	3,432
As at 31 March 2021	<u>289,955</u>	<u>19,462</u>	<u>40,058</u>	<u>349,475</u>
<i>Depreciation</i>				
As at 1 April 2020	253,807	16,144	40,058	310,009
Charge	23,109	1,460	-	24,569
As at 31 March 2021	<u>276,916</u>	<u>17,604</u>	<u>40,058</u>	<u>334,579</u>
<i>Net book value</i>				
As at 31 March 2021	<u>13,038</u>	<u>1,858</u>	<u>-</u>	<u>14,896</u>
As at 31 March 2020	<u>32,716</u>	<u>3,318</u>	<u>-</u>	<u>36,033</u>

<i>Charity</i>	Fixtures, fittings & equipment £
<i>Cost</i>	
As at 1 April 2020	246,962
Additions	1,561
As at 31 March 2021	<u>248,523</u>
<i>Depreciation</i>	
As at 1 April 2020	216,193
Charge	22,379
As at 31 March 2021	<u>238,572</u>
<i>Net book value</i>	
As at 31 March 2021	<u>9,951</u>
As at 31 March 2020	<u>30,770</u>

### 13 Fixed asset investments

<i>Group</i>	Listed investments £	2021 Total £	2020 Total £
Market value at 1 April 2020	2,300,131	2,300,131	2,392,880
Additions	281,274	281,274	444,008
Disposals	(116,596)	(116,596)	(527,046)
Change in value in year	605,543	605,543	(131,247)
Movement on cash balances	(133,879)	(133,879)	121,536
Market value at 31 March 2021	<u>2,936,473</u>	<u>2,936,473</u>	<u>2,300,131</u>
Historical cost	<u>2,436,998</u>	<u>2,436,998</u>	<u>2,482,650</u>
There were no material investments at market value (in excess of 5% of valuation)			
Cash	<u>93,269</u>	<u>93,269</u>	<u>227,148</u>
	<u>93,269</u>	<u>93,269</u>	<u>227,148</u>

# TURNER CONTEMPORARY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 13 Fixed asset investments (continued)

	Shares in subsidiary undertaking	Listed investments	2021 Total	2020 Total
	£	£	£	£
<b>Charity</b>				
Cost / Market value at 1 April 2020	1,100	2,300,131	2,301,231	2,393,980
Additions	-	281,274	281,274	444,008
Disposals	-	(116,596)	(116,596)	(527,046)
Change in value in year	-	605,543	605,543	(131,247)
Movement on cash balances	-	(133,879)	(133,879)	121,536
Market value at 31 March 2021	1,100	2,936,473	2,937,573	2,301,231
Historical cost	1,100	2,436,998	2,438,098	2,482,650
There were no material investments at market value (in excess of 5% of valuation)				
Cash	-	93,269	93,269	227,148

	2021 £	2020 £
<b>Listed Investments by Class (Group and Charity):</b>		
Fixed Income	262,014	232,733
UK Equity	761,423	493,185
International Equity	1,364,218	1,078,735
Property	73,060	21,590
Alternatives	334,022	202,671
Mixed Investment	48,467	44,069
Cash	93,269	227,148
	2,936,473	2,300,131

#### Holdings of more than 20%

The charity holds more than 20% of the share capital of the following company:

Subsidiary undertaking	Country of registration or incorporation	Proportion of voting rights and ordinary share capital held	Principal activity
Turner Contemporary Enterprises Limited	England and Wales	100%	Commercial activities of Turner Contemporary
Turner Rooms Limited	England and Wales	100%	Accommodation activities of Turner Contemporary

The trading results of Turner Contemporary Enterprises Limited for the year to 31 March 2021 are as follows:

	2021 £	2020 £
Turnover	85,182	464,706
Grant received	37,024	1,568
Bank interest	50	259
Cost of sales	(47,807)	(190,577)
Administration costs	(118,273)	(213,390)
Audit and accountancy fees	(4,178)	(3,735)
Operating (deficit)/surplus for the year	(48,002)	58,831
Gift aid paid	-	(124,295)
Corporation tax	9,139	(10,571)
Retained (deficit) for the year	(38,863)	(76,035)
The assets and liabilities of the subsidiary were:		
Tangible fixed assets	4,946	5,264
Current assets	110,171	154,155
Current liabilities	(104,720)	(110,159)
Aggregate share capital and reserves	10,397	49,260

TURNER CONTEMPORARY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

14 Stock	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Retail stock	33,014	50,252	-	-
	<u>33,014</u>	<u>50,252</u>	<u>-</u>	<u>-</u>
15 Debtors	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	182,917	124,742	182,297	121,873
Amounts due from subsidiary	-	-	97,387	94,334
Other debtors and prepayments	204,447	128,983	171,817	122,214
	<u>387,364</u>	<u>253,724</u>	<u>451,501</u>	<u>338,421</u>
16 Creditors: amounts falling due	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	14,264	15,402	11,478	14,358
Other creditors and accruals	33,642	20,275	29,097	4,313
	<u>47,906</u>	<u>35,677</u>	<u>40,575</u>	<u>18,671</u>
17 Restricted funds	Group			
	As at 1 April 2020 £	Income £	Expenditure £	Transfer between funds £
Learning programme	39,101	144,551	(85,754)	(21,821)
Exhibitions programme	15,252	36,390	(22,552)	(6,252)
England's Creative Coast	307,116	211,718	(147,949)	8,902
Creative Transition Programme	74,766	-	(32,489)	-
O' Dreamland	150,000	-	(2,030)	-
Pioneering Places	-	48,866	(48,866)	-
Cultural Recovery Fund	-	104,000	(104,000)	-
	<u>586,235</u>	<u>545,525</u>	<u>(443,640)</u>	<u>(19,171)</u>
2020 - comparative	Group			
	As at 1 April 2019 £	Income £	Expenditure £	Transfer between funds £
Learning programme	42,431	75,695	(79,025)	-
Exhibitions programme	473	46,557	(31,778)	-
England's Creative Coast	296,058	320,000	(308,942)	-
Turner Prize 2019	359,899	245,350	(605,249)	-
Seaside Photographed	68,835	113,362	(182,197)	-
Creative Transition Programme	115,697	24,152	(65,083)	-
O' Dreamland	-	150,000	-	-
Pioneering Places	-	109,414	(109,414)	-
Other	12,440	-	(12,440)	-
	<u>895,833</u>	<u>1,084,530</u>	<u>(1,394,128)</u>	<u>-</u>

Learning programme

These programmes are to advance the education of the public. There are several discrete elements to this programme. Much of the learning programme is supported by external funding which includes Catalyst, Clore Duffield Foundation, Chartered Accountants Livery Company, Esmée Fairbairn Foundation, and University of the Creative Arts.

Exhibitions programme

Contributions have been received towards the costs of staging specific exhibitions during the year and for future programmes. Contributors include Freeland Foundation, Henry Moore Foundation, Paul Mellon Centre, and Art Fund.



## TURNER CONTEMPORARY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 17 Restricted funds (continued)

##### England's Creative Coast

Supported by Arts Council England and Visit England, Turner Contemporary is the lead partner of England's Creative Coast, a cultural tourism project involving galleries in Essex, Kent and East Sussex. A key element of this project is a series of public art commissions, the exhibition of which was launched in spring 2021.

##### Creative Transition Programme

This is a multi-year project to enable thousands more young people in Thanet to have access to world class art, empowering them to develop confidence, team building and life skills. This project has been funded by various generous supporters including the Wates Foundation.

##### O' Dreamland

This project is inspired by Lindsay Anderson's film "O Dreamland" made in Margate in 1953, and will include working with people from the local community to develop a major exhibition to be shown at Turner Contemporary in 2023.

##### Pioneering Places

This project is part of a wider programme of activity led by Creative Folkestone and supported by the National Lottery Heritage Fund. The project focuses on enabling cultural, community and civic organisations to work closely in order to reimagine East Kent's future by exploring heritage, developing civic pride and connect artists and communities. Using child-led leadership, Turner Contemporary has worked with a group of primary school children in Ramsgate to commission an artwork for Ramsgate Harbour. The artwork, by Conrad Shawcross, will be displayed from Summer 2021.

##### Cultural Recovery Fund

The Cultural Recovery Fund was launched in 2020 by to support cultural organisations impacted by the coronavirus pandemic, using funding from the Department for Digital, Culture, Media and Sport (DCMS), and administered by Arts Council England (ACE). The grant covered the gallery's activity during the period October 2020 to March 2021.

##### Turner Prize

Fund-raised income, and grant funding from Arts Council England and other partners, supported the delivery of the Turner Prize 2019 exhibition, one of the UK's most prestigious art prizes, as well as the significant costs of hosting the award, and the delivery of Margate Now, a town-wide programme of arts and events in autumn 2019.

##### Seaside Photographed

The exhibition, Seaside Photographed, has been supported by an Arts Council England Strategic Touring grant. The exhibition was shown at Turner Contemporary in summer 2019. The tour of the exhibition to venues in Newlyn/Penzance, Southampton and Blackpool was rescheduled for 2020 and 2021.

##### Transfer between funds

Transfers relate to projects which are now completed where costs were incorrectly allocated to unrestricted in prior year and income that funders have now stated can be unrestricted.

18 Endowment funds	As at 1 April	Income	Expenditure	Gain on	Transfers	As at 31 March
2021 current	2020			investments		2021
	£	£	£	£	£	£
<b>Permanent</b>						
Catalyst Endowment Fund	2,220,288	-	-	605,543	-	2,825,831
<b>Expendable</b>						
Catalyst Endowment Fund	173,585	51,574	(16,130)	-	-	209,029
	<u>2,393,873</u>	<u>51,574</u>	<u>(16,130)</u>	<u>605,543</u>	<u>-</u>	<u>3,034,860</u>
<b>2020 - Comparative</b>	<b>As at 1 April</b>	<b>Income</b>	<b>Expenditure</b>	<b>Loss on</b>	<b>Transfers</b>	<b>As at 31 March</b>
	<b>2019</b>			<b>investments</b>		<b>2020</b>
	£	£	£	£	£	£
<b>Permanent</b>						
Catalyst Endowment Fund	2,351,535	-	-	(131,247)	-	2,220,288
<b>Expendable</b>						
Catalyst Endowment Fund	174,649	58,936	-	-	(60,000)	173,585
	<u>2,526,184</u>	<u>58,936</u>	<u>-</u>	<u>(131,247)</u>	<u>-</u>	<u>2,393,873</u>



## TURNER CONTEMPORARY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 18 Endowment funds (continued)

##### Catalyst Endowment Fund

Turner Contemporary has established the Catalyst Endowment Fund to provide an investment return to support commissions in the public realm, events outside the gallery, residency programmes and to support acquisitions in Kent. The permanent endowment fund must be kept for 25 years and only the income and capital growth from the investments can be spent during this period.

##### Transfer between funds

The Turner Contemporary Expendable Endowment Fund is restricted for use only for "Endowment Purposes" which is defined as costs supporting commissions in the public realm, events outside the gallery, residency programmes and supporting acquisitions in Kent. Certain costs were incurred in the year for these purposes and the income has been transferred to offset these costs.

#### 19 Analysis of net assets between funds - 2021 -

	Fixed assets	Net current assets	Total
	£	£	£
Unrestricted funds	14,896	692,906	707,802
Restricted funds	-	668,949	668,949
Endowment funds	2,936,473	98,387	3,034,860
Non-charitable funds	-	9,397	9,397
	<u>2,951,369</u>	<u>1,469,639</u>	<u>4,421,008</u>

#### 2020 - Comparative

	Fixed assets	Net current assets	Total
	£	£	£
Unrestricted funds	36,034	301,081	337,115
Restricted funds	-	586,235	586,235
Endowment funds	2,300,131	93,742	2,393,873
Non-charitable funds	-	48,260	48,260
	<u>2,336,165</u>	<u>1,029,318</u>	<u>3,365,483</u>

#### 20 Commitments under operating leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Within one year	3,302	4,523
Between two and five years	9,906	15,849
	<u>13,208</u>	<u>20,372</u>

#### 21 Reconciliation of net income to net cash flow from operating activities

Group	2021	2020
	£	£
Net Income for year	1,055,525	(559,685)
Non-cash movements on fixed asset investments	(605,543)	131,247
Depreciation and impairment of tangible fixed assets	24,569	29,240
(Increase)/decrease in stocks	17,238	(6,388)
Decrease/(increase) in debtors	(133,639)	42,595
(Decrease)/increase in creditors	12,229	(198,947)
Net cash flow from operating activities	<u>370,380</u>	<u>(561,938)</u>

#### 22 Related party transactions

During the year, £4,059 (2020: £7,038) was donated to Turner Contemporary by six (2020: four) trustees. Each individual donation was not material to either party.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**23 Company limited by guarantee**

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

**24 COVID-19**

In 2020 the world was shaken with the onset of Covid-19. The directors have assessed the operational and financial impact on the group in the Strategic Report on pages 10 and 11 and in the going concern statement at note 1.12.

**25 Capital commitments**

Group and charity

	2021 £	2020 £
Expenditure contracted for but not provided in the accounts	<u>14,031</u>	<u>-</u>