

Charity registration number 1135536

Company registration number 04359454 (England and Wales)

ART GENE LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

ART GENE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	H Skipper	
	J Bell	
	N Van der Velden	
	C Davis	
	E Speight	
	D Haley	
	Nancy McKinnell	(Appointed 28 April 2021)
	Asif Ud Din	(Appointed 21 October 2021)
	Harpreet Kaur	(Appointed 10 February 2022)
Secretary	N Wild	
Charity number	1135536	
Company number	04359454	
Principal address	The Nan Tait Centre Bath Street Entrance Barrow-in-Furness LA14 5TY	
Registered office	The Nan Tait Centre Bath Street Entrance Barrow-in-Furness LA14 5TY	
Independent examiner	Melville & Co Unit 17-18 Trinity Enterprise Centre Furness Business Park Ironworks Road Barrow-in-Furness LA14 2PN	

ART GENE LIMITED

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ART GENE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Objectives and activities

The charity's objects are, for the public benefit, to advance the education of the public in Arts in Barrow-in-Furness, and also nationally and internationally, through the establishment of a facility to encourage artist led initiatives; particularly the production and exhibition of new work. The policies adopted in furtherance of these objects are to implement a programme of local art and design-focused events, educational visits and workshops and there has been no change in these during the year.

In planning and carrying out the charity's activities the Board and management are always aware that such activities must be for the public benefit. As such the Board confirm that they have had due regard to the Charity Commission's published guidance on the 'public benefit' motive.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Art Gene continues to create socially-engaged visual art across the social, natural and built environment in some of the most economically and culturally deprived electoral wards in the North West of England.

Dominated by the global Covid-19 pandemic, 2021/22 proved to be a second challenging year for the charity. Legislation curtailed activity, indoor mixing was limited and audience confidence remained low. A planned project that relied on face-to-face activity had to be postponed. As a company limited by guarantee, we had hoped to benefit from Government business grants but we proved ineligible for reasons linked to our premises. Gladly, the Art Council's progressive approach to safeguarding artists' salaries during the pandemic allowed our work to continue.

For a second year, we rose to the challenges of the health crisis. We deployed resilience and imagination to deliver a strong artistic programme in Barrow and across Cumbria, whilst keeping our staff, freelancers, volunteers and the public safe. We planned for the strategic period ahead and were pleased to change and grow our team during over the course of the year.

Maddi Nicholson and Stuart Bastik remained as Artist Directors (each working freelance for the charity), with support from Norman Wild (Company Secretary) and two Technical and Workshop Managers – Clinton Rimmer joined the team to cover Daryl Pugh's long term sickness leave. In addition to employing a range of freelance artists from across the UK to work on grant-funded projects, we also made new longer-term appointments.

Anna Litchfield left the charity in March 2022 after four years, and Rachael Barker was appointed to the role of Projects and Communications Manager in the same month. The Directors should like to acknowledge the contribution of Anna to the charity's success, especially during the lockdown periods. Jo Reilly joined in September 2021 as part-time Low Carbon Barrow Grants Lead, supported by the European Regional Development Fund and the Cumbria Local Enterprise Partnership, and in January 2022 was appointed Business Futures Associate, also on a part-time basis, this role supported by the Esmée Fairbairn Foundation.

As a team, we continued to operate and manage both our large Victorian building, home to our workshop, studios, garden and gallery spaces, and our designed community growing space, "Allotment Soup", where we promote outside arts, local biodiversity and food growing. With its outdoor classrooms in two large polytunnels, the growing space proved critical to our activity in 2021, allowing us to bring people together in a dry and safe environment.

ART GENE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

In the section below is a summary of our project work. All of our outputs, achievements and opportunities were shared regularly with the public through a twice-monthly newsletter, on our website and via our popular Instagram, Twitter and Facebook channels.

Highlights from the artistic programme and project work

I. Online work

We continued to develop our digital work strand, both as a response to the pandemic and in support of freelance artists, including those with characteristics that are under-represented in our core team.

Digital U, our online commissioning strand, presented work from an open artist call. Choosing from scores of submissions on the theme of 'Food, futures and biodiversity', Digital Artist-Curator, Sophie Lindsey presented *Digital Notes*, which, within the theme, also explored note-making as a method, practice and process.

During April 2021, through a series of webpages, live events and interventions, *Digital Notes* shared research and work from seven artists: Sebastián Calfuqueo, Amanda Gatti and Gustiele Fistaról, James Scott, Ashley Yuqi Zhang and Hua Zhang, and from Sophie Lindsey herself, exploring how we create meaningful connections through digital platforms. Three video works were shared online and an Instagram live event 'Raisin Mindfulness' formed part of James Scott's *raisin things*.

Armchair Walks 2 was planned as an artist-led online programme focused on methods of working in different landscapes, hosted by Welsh artist Owen Griffith and presented as 'three chapters' during May 2021. Invited guest speakers from the fields of architecture, activism and art, took a range of landscapes in flux as their starting point, from the civic to the post-industrial, and led conversations about how together we can enhance and protect green spaces.

Chapter 1, with architect Haakon Rasmus Rasmussen and Councillor Sakina Sheikh discussed 'Landscape Healing' a film about rewilding in Norway, discussing the after affects of industry on landscape and the role imagination plays in rebuilding a place. In Chapter 2, Rachel Pimm invited us to consider landscape from the perspective of the non-human, sharing sounds of the processes that continually shape the environment. Chapter 3 was moved off line in June 2021 when Owen Griffith led a workshop with local people to map the lost, abandoned or undervalued green spaces in Barrow with a view to planning future ecology and art projects.

II. Partnership projects

Art Gene is the lead partner for the cultural programme of the Historic England-funded High Street Heritage Action Zone project, **Re:discover Barrow**. The HSHAZ pilot programme, *Re:discover Barrow, an armchair walk* premiered online in July 2021: a filmed documentary walk through the history of Duke street and Cornwallis Street in the conservation area. The event attracted 96 people.

We were delighted to launch year 1 of the main programme *Re:discover Barrow, Lost Shops* onto the streets 'in real life' in October 2021, with three 'memory stalls' held in Barrow's public library, the market and the Forum arts Centre. These were well attended and recorded people's memories of lost shops and their personal and social relationship with the town centre, that will help inform art works over the coming three years.

Another partnership, this time with the University of Central Lancashire, on an education research project saw us working with the Autus charity on the **Multi Sensory, Multi Species** project. Maddi Nicholson and Kate Davis worked with young people with autism to create a collective poem and hand drawn crockery and table cloths focused on the multi-species theme, a feast for insects. The project will inform an artwork to be created by Maddi Nicholson as part a travelling exhibition, with a range of artists' and young people's work next year.

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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

2021/22 was the first year of **Low Carbon Barrow**, delayed due to the pandemic. A large scale programme focussed on the energy crisis and its links to global warming, in year one, activity focused on Stuart Bastik's concept design for a low carbon engagement vehicle and two campaigns to recruit a grants manager. Art Gene created the Low Carbon Barrow grants website and application materials during autumn 2021 and launched the grants programme aimed at SMEs in November. An industry-focused seminar in March and other promotional activities were well received. We were delighted to have this and other work by Art Gene featured by **Julie's Bicycle** as a **case study** in its Annual Report.

Linked to this work, Art Gene continues to be a proud member of the **Zero Carbon Cumbria Partnership**. As a result of our deepening relationship with Cumbria Action for Sustainability, we were delighted to receive funding for our work to encourage climate change mitigation. Three of our team completed carbon literacy training.

III. Outdoor work

The majority of our work this year was focussed outdoors at **Allotment Soup**.

Between April and June 2021, supported with funding from Oakmere Homes, Art Gene's ecologist-designer, Dr Vincent Walsh, led six **ecology workshops** on site, introducing the audience to a range of ecological, organic interventions to promote sustainability, improve soils and encourage biodiversity: composting, making a swale and working on the pathways around the site. Over the Easter weekend Dr Walsh led a volunteer action group to lay the ground works for a forest garden area.

A highlight of the year was *Extreme Views: Food, Futures and Biodiversity*, an Arts Council supported artists residency programme culminating in an exhibition in the outdoors on a beautiful day in November 2021. An open call for artists to take part led to the selection of Sam Ayre, Rhine Bernardino, Dana Olarescu and Owen Griffiths to work for two weeks in Barrow. They collaborated with Art Gene's Artist Directors to express individual responses to climate change and sustainable living and to plan what became three events: an online artists' development session with peers overseas; a celebration of Filipino food culture at a vegan restaurant in Barrow; and the public exhibition outdoors, which attracted an audience of over 120 and featured the work of 11 artists including the residency artists and Stuart Bastik and Maddi Nicholson.

The site remained a place where people could explore their own creativity. Women's Community Matters supported creative **art and ecological workshops** for young people, as part of a summer holiday programme. In August 2021 Maddi Nicholson worked with children pond dipping, plant id-ing and drawing, creating HAZMAT outfits covered in drawings, to bring us back to nature and ward off Covid. At the end of the year, we were delighted to work with another Barrow arts company, Theatre Factory, to help stage their specially-written Allotment Tales performances. Over three magical evenings in late March 2022, we attracted new audiences to Allotment Soup.

Across the year, we continued our valued partnership with the University of Cumbria. The Back on Our Map species restoration project grew Aspen trees, cowslips, and kidney vetch seedlings to support the Duke of Burgundy and Small Blue butterflies. We hosted a series of workshops with Brockhole on Windermere, around seed planting and sharing. With Natural England we focused on delivering workshops on 'arctic alpine' planting for water retention on the high fells. We should like to acknowledge the valuable contribution of our core team of volunteers who took part in these workshops and who care for the Allotment Soup site year-round.

IV. Exhibitions

We were involved in three **exhibitions** this year. *8 words for Barrow* was exhibited at Rheged, Penrith, in a group exhibition entitled '*Through the Locking Glass*', with an installation of placards, created by Maddi Nicholson.

This was then featured in Art Gene's own '**No More Hot Air**' exhibition. A rallying cry against climate change, the show launched with a well attended opening night in February 2022. '**No More Hot Air**' featured a range of works by artists resident over past years, including works especially made for Barrow from Extreme Views residency artists Katie Anderson and Owen Griffiths.

ART GENE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

'No More Hot Air' also featured artist, Tomoko Freeman (Anti-Cool) who undertook a one week residency with Art Gene over the summer of 2021, delving into Walney channel and the history and demise of the seas resources, in 'Of Salt and Samphire'.

Separately, we were delighted to host Patricia MacKinnon Day's **Tracing Shadows** exhibition during February and March 2022, including a work projected onto our mezzanine gallery windows that could be viewed from the road during the long evenings.

V. Sharing and collaboration

The Artist Directors shared the work of Art Gene with a range of groups throughout the year, including presentations to the Furness Citizens Jury on Climate Change and at The Food and Farming conference, and a talk and walk as part of the 'Somewhere Nowhere' art company programme.

Maddi continued to represent Art Gene on a range of strategic partnership boards and collaborations - the Heritage Action Zone Cultural Consortium, the Cumbria Arts and Culture Network, the Barrow Arts Group, the Cumbria LEP Cultural Creative and Cultural Board, and the Coastal Art Collective. Her work was published in CAVAN. Maddi also mentored two early career artists during the year, demonstrating Art Gene's commitment to nurturing new talent.

Income Streams

We continued to generate the majority of our income through unrestricted core funding from the Arts Council England and restricted project grants. We were pleased by the Arts Council's decision to extend our Extreme Views programme for a 4th year, and delighted to receive a Project Grant of £30k to do post-pandemic focused artist residency work.

We acknowledge and thank the other funders that have supported our work this year: Cumbria Local Enterprise Partnership, European Regional Development Fund, Esmée Fairbairn Foundation, Cumbria County Council, National Lottery Heritage Fund, Historic England (via Barrow Borough Council), National Lottery Community Fund (via CafS) and Oakmere Homes.

Our earned income from studio rental was down this year (due to our in-kind support to an artist during Covid) but we were able to raise modest funds in the second half of the year from gallery hires. We were pleased to host, for example, High Street Heritage Action Zone activity – sign writing workshops and talks on building conservation.

Future Funding

With the support of a new part-time Business Futures Associate post, we will create a new fundraising strategy and seek to diversify our funding still further. Our priorities next year will be to win a further three years as an Arts Council England National Portfolio Organisation, creating a more stable staffing base from which to deliver high quality art, design and community work. The projects supported by Historic England, the HLHF and the NLCF (via CafS) will continue. We will hope to secure additional support from the John Fisher Foundation and Orsted for work at Allotment Soup.

The Future

We remain confident that the company will continue to thrive over the coming years. Next year will mark the beginning of our third decade of operations and we remain resilient, with a strong and exciting strategic vision underpinned by a committed team and supportive Trustees.

Financial review

The results for the year are summarised in the Statement of Financial Activities (income and expenditure account) on page 7. Incoming resources increased by £96,322 (48%) to £298,635. The largest strand contributing to total incoming resources was the Arts Council at £112,024 which was unrestricted income.

Expenditure totalled £232,658, an increase of £16,676 (8%). This led to an increase in total fund balances of £65,977 in the year; they now total £160,446, of which is £90,076 is in the General Fund (unrestricted).

ART GENE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to approximately three month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

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

Structure, governance and management

The charity is a company limited by guarantee, not having share capital, and is governed by a Memorandum and Articles of Association dated 24 February 2002, as amended. It's company registered number is 04359454. On 15 April 2010 the company became a registered charity with a charity number 1135536.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

H Skipper

J Bell

K Bell

(Resigned 7 November 2022)

N Van der Velden

C Davis

E Speight

E Richards

(Resigned 7 February 2022)

D Haley

Nancy McKinnell

(Appointed 28 April 2021)

Asif Ud Din

(Appointed 21 October 2021)

Harpreet Kaur

(Appointed 10 February 2022)

The Board consists of people with considerable interest and experience in the arts, who are able to draw on their past experiences at a senior level in management, finance, human resource management or strategic planning.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Board of trustees (directors) is the responsible body of the organisation, and meets regularly throughout the year deciding on strategies and exercising management and artistic oversight of the charity. The Board delegates the day to day management of the organisation and the financial control to the Artistic Founders and the Company Secretary.

There are no related parties of the charity.

The trustees' report was approved by the Board of Trustees.



D Haley

Trustee

Dated: 21 December 2022

ART GENE LIMITED

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ART GENE LIMITED

I report to the trustees on my examination of the financial statements of Art Gene Limited (the charity) for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



S Oram
Melville & Co

Chartered Certified Accountant
Unit 17-18 Trinity Enterprise Centre
Furness Business Park
Ironworks Road
Barrow-in-Furness
LA14 2PN

Dated: 21 December 2022

ART GENE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Notes							
<u>Income and endowments from:</u>							
Voluntary income - grants and donations	3	122,024	170,612	292,636	132,024	53,640	185,664
Charitable activities	4	5,993	-	5,993	1,544	-	1,544
Investments	5	6	-	6	5	-	5
Other income	6	-	-	-	15,100	-	15,100
Total income		128,023	170,612	298,635	148,673	53,640	202,313
<u>Expenditure on:</u>							
Charitable activities	7	102,616	130,042	232,658	148,719	67,263	215,982
Net income/(expenditure) for the year/							
Net movement in funds		25,407	40,570	65,977	(46)	(13,623)	(13,669)
Fund balances at 1 April 2021		64,669	29,800	94,469	64,715	43,423	108,138
Fund balances at 31 March 2022		90,076	70,370	160,446	64,669	29,800	94,469

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

ART GENE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		-		113
Current assets					
Debtors	12	11,003		13,985	
Cash at bank and in hand		163,395		90,510	
		174,398		104,495	
Creditors: amounts falling due within one year	13	(13,952)		(10,139)	
Net current assets			160,446		94,356
Total assets less current liabilities			160,446		94,469
Income funds					
Restricted funds			70,370		29,800
Unrestricted funds			90,076		64,669
			160,446		94,469

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 21 December 2022


D Haley
Trustee

Company registration number 04359454

ART GENE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	15		72,879		(29,999)
Investing activities					
Interest received		6		5	
Net cash generated from investing activities			6		5
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			72,885		(29,994)
Cash and cash equivalents at beginning of year			90,510		120,504
Cash and cash equivalents at end of year			163,395		90,510

ART GENE LIMITED

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

1 Accounting policies

Company information

Art Gene Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Nan Tait Centre, Bath Street Entrance, Barrow-in-Furness, LA14 5TY.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

ART GENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for gross and when incurred. Charitable expenditure includes the costs of all activities carried out, with the exception of the costs incurred for governance purposes.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings - leasehold	10% straight line
Plant and machinery	25% and 33.3% straight line
Fixtures, fittings & equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial liabilities, including creditors and bank loans are recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.8 Taxation

The company is not liable to Corporation Tax on any surplus it makes so long as the surplus is used for charitable purposes. The company is, however, registered for VAT. Its activities are partially exempt and it can reclaim VAT on its expenditure on the same basis.

1.9 Funds

Restricted funds represent grants and other income received which can only be expended on specific purposes as defined by the donor.

Unrestricted funds are all other funds held by the charity, including general purpose funds.

Designated funds are unrestricted funds that the directors have set aside for specific purposes.

ART GENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.10 Reserves

In order to allow the charity to be managed efficiently, to minimise the risk of interrupted streams of funding and to cover for any liability related to reduction or curtailment of activity, the Board believes it is prudent to maintain unrestricted reserves equivalent to approximately £76,667; this represents three months of expenditure, other than fundraising and project costs. This compares to a balance of £64,243 held in reserves at the year end.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Voluntary income - grants and donations

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Grants receivable from core activities	122,024	170,612	292,636	132,024	53,640	185,664
Grants receivable for core activities						
Arts Council England	112,024	27,000	139,024	112,024	-	112,024
Cumbria County Council	10,000	-	10,000	10,000	-	10,000
Barrow Borough Council	-	85,759	85,759	-	5,000	5,000
Garfield Weston Foundation	-	-	-	-	20,000	20,000
WCM Arts and Environment Workshops	-	-	-	-	6,000	6,000
Natural England - Green Recovery Fund	-	-	-	-	12,840	12,840
Esmee Fairburn Foundation	-	20,796	20,796	10,000	-	10,000
Heritage Lottery Fund - Walney Meet in Middle Project	-	-	-	-	9,800	9,800
Other	-	37,057	37,057	-	-	-
	122,024	170,612	292,636	132,024	53,640	185,664

ART GENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	Rent receivable £	Other hires and rentals £	Total £	2021 £
Sales within charitable activities	1,995	3,998	5,993	1,544
Analysis by fund				
Unrestricted funds	1,995	3,998	5,993	
For the year ended 31 March 2021				
Unrestricted funds	1,485	59		1,544

5 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	6	5

6 Other income

	Total 2022 £	Unrestricted funds 2021 £
Artist and consultancy fees (non-grant project income)	-	15,100

ART GENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Charitable activities

	Direct costs 2022 £	Direct costs 2021 £
Staff costs	84,895	44,133
Project fees	102,873	127,139
	<u>187,768</u>	<u>171,272</u>
Share of support costs (see note 8)	41,098	41,437
Share of governance costs (see note 8)	3,792	3,273
	<u>232,658</u>	<u>215,982</u>
Analysis by fund		
Unrestricted funds	102,616	148,719
Restricted funds	130,042	67,263
	<u>232,658</u>	<u>215,982</u>
For the year ended 31 March 2021		
Unrestricted funds	148,719	
Restricted funds	67,263	
	<u>215,982</u>	

8 Support costs

	Support costs £	Governance costs £	2022 £	2021 £	Basis of allocation
Depreciation	113	-	113	1,610	Actual
Premises costs	31,615	-	31,615	32,521	1:9 restricted:unrestricted
Administrative costs	9,370	-	9,370	7,306	1:9 restricted:unrestricted
Accountancy	-	3,792	3,792	3,273	Governance
	<u>41,098</u>	<u>3,792</u>	<u>44,890</u>	<u>44,710</u>	
Analysed between					
Charitable activities	<u>41,098</u>	<u>3,792</u>	<u>44,890</u>	<u>44,710</u>	

The accountancy fee covers Independent Examination £690 (2021 - £627), accounts preparation £2,922 (2021 - £2,482) and taxation services £180 (2021 - £164).

ART GENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Financial management	1	1
Technical support	1	1
Project support	4	2
Fund raising	1	1
	<u>7</u>	<u>5</u>

Employment costs

	2022 £	2021 £
Wages and salaries	81,407	43,271
Social security costs	1,955	219
Other pension costs	1,533	643
	<u>84,895</u>	<u>44,133</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

	Land and buildings - leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 April 2021	165,091	54,961	27,884	247,936
At 31 March 2022	<u>165,091</u>	<u>54,961</u>	<u>27,884</u>	<u>247,936</u>
Depreciation and impairment				
At 1 April 2021	165,091	54,848	27,884	247,823
Depreciation charged in the year	-	113	-	113
At 31 March 2022	<u>165,091</u>	<u>54,961</u>	<u>27,884</u>	<u>247,936</u>
Carrying amount				
At 31 March 2021	-	113	-	113

ART GENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	10,437	13,440
Prepayments and accrued income	566	545
	<u>11,003</u>	<u>13,985</u>

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	5,949	3,032
Trade creditors	3,868	2,090
Accruals and deferred income	4,135	5,017
	<u>13,952</u>	<u>10,139</u>

14 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	-	-	-	113	-	113
Current assets/(liabilities)	90,076	70,370	160,446	64,556	29,800	94,356
	<u>90,076</u>	<u>70,370</u>	<u>160,446</u>	<u>64,669</u>	<u>29,800</u>	<u>94,469</u>

15 Cash generated from operations

	2022 £	2021 £
Surplus/(deficit) for the year	65,977	(13,669)
Adjustments for:		
Investment income recognised in statement of financial activities	(6)	(5)
Depreciation and impairment of tangible fixed assets	113	1,610
Movements in working capital:		
Decrease/(increase) in debtors	2,982	(13,058)
Increase/(decrease) in creditors	3,813	(4,877)
Cash generated from/(absorbed by) operations	<u>72,879</u>	<u>(29,999)</u>