

TRS GALLERY

England & Wales · Charity number 1152968

Details

Other names	THE ROYAL STANDARD
Status	Registered
Legal form	Charitable company
Company number	06988365
Registered	2013-07-19
Register	View on the Charity Commission register

Contact

Address	The Royal Standard Northern Lights 3 Mann Street Liverpool L8 5AF
Phone	01517086705
Email	info@the-royal-standard.com
Website	http://www.the-royal-standard.com

Activities

Objects: ADVANCING THE ARTS, INCLUDING VISUAL ARTS, CRAFT AND DESIGN, VIDEO, SOUND AND DIGITAL ARTS AND PERFORMANCE ART.

Activities: The Charity develops, promotes and advances the arts, including visual arts, craft and design, video, sound and digital arts and performance art.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Arts/culture/heritage/science
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- Liverpool City

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-30	£56,069	£51,176	-	-
2023-08-30	£52,973	£100,683	-	-
2022-08-30	£51,442	£56,804	-	-
2021-08-30	£51,442	£56,804	-	-
2020-08-30	£105,574	£68,925	-	-

Trustees

Name	Role	Appointed
David William Lally		2023-04-06
Dr James Schofield		2022-02-21
James David Buso		2022-01-26

TRS GALLERY

England & Wales - Charity number 1152968

Accounts

Company Registration Number - 06988365

The Charity Registration Number is :- 1152968

TRS Gallery
Report and Accounts
31 August 2024

TRS Gallery

Report and accounts for the year ended 31 August 2024

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TRS Gallery

Company Registration Number - 06988365

Trustees' Annual Report for the year ended 31 August 2024

The Trustees present their Report and Accounts for the year ended 31 August 2024, which also comprises the Directors' Report required by the Companies Act 2006.

Reference and administrative details

The charity name.

The legal name of the charity is:- TRS Gallery.

The charity is also known by its operating name, TRS Gallery.

The charity's areas operation and UK charitable registration.

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1152968.

The charity does not operate in any overseas jurisdictions.

Legal structure of the charity

The charity is constituted as a company limited by guarantee, registered under the Companies Acts . The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

By operation of law all, trustees are directors under the Companies Act 2006 and all directors are trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

The trustees are all individuals.

The principal operating address, telephone number, email and web addresses of the charity are:-

5 Mann Street

Northern Lights, Liverpool

L8 5AF

Telephone 0151 708 6705

Email Address info@the-royal-standard.co.uk Web address the-royal-standard.co.uk

The registered office of the charity for Companies Act purposes is the same as the operating address shown above.

The Trustees in office on the date the report was approved were:-

J Buso

E Harris

D Lally

S Mohamad Noor

M O'Brien

Dr J Schofield

TRS Gallery

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Trustees' Annual Report for the year ended 31 August 2024

The following persons served as Trustees during the year ended 31 August 2024 :-

The Trustees who also served during the accounting year and their dates of appointment or resignation are as follows:

Name

A Christey-Kelly (resigned 5 September 2023)

M Hooper (resigned 31 March 2024)

All the trustees are also members of the charity.

Objects and activities of the charity

The purposes of the charity as set out in its governing document.

Advancing the Arts, including visual arts, craft and design, video, sound and digital arts and performance art.

CHARITABLE OBJECTIVES

The charitable company aims to:

- * Provide affordable studio spaces and supportive community to artists
- * Showcase exciting, innovative exhibitions and events
- * Work with the most outstanding recent graduates and emerging artists as well as more established practitioners and other artist-led initiatives
- * Develop a dynamic and challenging gallery programme
- * Build local, national and international audiences; and
- * Develop existing local, national and international relationships.

The charitable company aims to support and develop:

- * New audiences: locally, nationally and internationally
- * Opportunities for participation in arts activities; and
- * Curatorial knowledge and resources.

The main activities undertaken in relation to those purposes during the year and to further the charity's purpose for the public benefit.

The charitable company will pursue these aims by the following principles:

- * Provide equal opportunities, in both its contribution to the creative ecology in Liverpool and opportunities created through the development of the organisation
- * Consult with the creative communities and local neighbours to better inform the activities it delivers based on democracy, the rule of law, individual liberty, mutual respect, and tolerance of diverse faiths and beliefs
- * Implement organisational structure review and operational improvements to better support finances, governance, and accountability
- * Creating and sustaining a mixed funding streams

The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity.

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Trustees' Annual Report for the year ended 31 August 2024

The main achievements and performance of the charity during the year and the difference this has made to the beneficiaries of the charity and benefited wider society.

The charitable company delivered several activities in the year, attracting new and existing audiences to the gallery and studios.

The focus for the organisation for the 23/24 period of activity has been to implement organisational structure review and operational improvements to better support finances, governance, and delivery of public as well as studio programmes.

The Managing Directors proposed a 20% studio rent increase that was approved by the Trustees. A consultation meeting, led by the Trustees, was held with studio members to finalise the details of a new studio membership contract to reflect this change. Studio members were provided with options for payment plans to support this transition.

The Trustees started a full review of rent arrears from previous years to gain an understanding of this ongoing challenge before the implementation of the proposed rent increase. The outcome of this is a Studio Members Map and a Rent Arrears List.

In January 2024, the cohort of Managing Directors stepped down due to a difference in their interests and the organisation's objectives. The Trustees carried out a transformation of the Managing Directors' responsibilities to establish a shared understanding of the voluntary role.

Furthermore, the Trustees created a Continuous Professional Development for the Managing Directors to provide access to mentoring from the Trustees, masterclasses and shadowing opportunities. The title Artist Lead has been retired and the title Managing Director has been reinstated to signify the duty of this role.

Feedback from Studio Members generated a drive to strengthen the relationship between the Trustees, Managing Directors and Studio Members. The Trustees offered masterclasses to the Studio Members during the 2024 summer period. This was followed by a Summer Social in June 2024 for the Studio Members. The Trustees hosted the occasion to create an opportunity to visit the Studio Members in their spaces at The Royal Standard. The Summer Social was also used to introduce a new cohort of Managing Directors who were appointed in May 2024, to the Studio Members.

As part of our long-standing relationship with Liverpool School of Art and Design, we continued to provide its graduates with a residency space, development of their creative practice in the sector and presentation of their work through public exhibitions. The Royal Standard hosted 6 graduates in 2023/24.

During 2023 - 2024, The Royal Standard delivered over 22 exhibitions, events and workshops.

Some programme highlights include:

- * Creative Skills Zine Workshop, Homotopia, 29th August 2023
- * Made It 2023, Short Supply, 15th September - 6th October 2023
- * An Instrument of Delirium, 19th - 22nd October 2023

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Trustees' Annual Report for the year ended 31 August 2024

Future Plans

The Royal Standard's improvement journey remains under constant review, as we look for ways to improve the development of our Managing Directors as future leaders in the sector and the benefits we provide to our Studio Members, alongside engaging with both the creative communities and our neighbours in the area.

Our priority is to continue providing artists with affordable studio spaces in Liverpool, during our time at Northern Lights. To complement this, we will focus on providing artists with opportunities to develop their practices with their peers and experts in the sector, in addition to presenting their work in a public setting.

Major medium-term priorities identified include agreeing on a realistic payment plan for unexpected service charges from Baltic Creative and planning for a move to a new 'home' following the termination of our lease at Northern Lights in June 2026.

Organisational development

We remain focused on how our activities contribute to the creative ecology in Liverpool.

The Trustees and Managing Directors reviewed the proposed plan from 22/23 to appoint a temporary paid position. It has been agreed that the vision for this role is too ambitious and is not sustainable. We understand the nature of the restricted funding awarded to The Royal Standard for this role and will revisit this once a plan after the termination of our lease at Northern Lights in June 2026 has been agreed.

The majority of the pain points identified by previous Trustees and Artist Leads, as burdens to voluntary roles and a need for a paid role, have been rectified through the organisational structure review and operational improvements carried out in 23/24.

The transformation of the Artist Lead role into that of a Managing Director has shown that there is an interest in a voluntary role that provides practical operational skills as this enhances the development of creative opportunities such as curating exhibitions, producing events as well as workshops, and facilitating artistic development.

The Royal Standard has a simple organisational structure and clear set of activities to deliver. We are now seeing the results of committing time to establish an understanding of this and building a team that shares this ethos.

Risk management

The Trustees work to identify risks that The Royal Standard is exposed to. The risks identified in 2023/24 have been considered and will be mitigated with an Action Plan. An immediate risk to be addressed is transitioning Studio Members from paying rent in arrears to in advance to prevent missed payments.

Structure, governance and management of the charity

The methods used to recruit and appoint new charity trustees.

Trustees are recruited based on a regular review of skills considered necessary and ongoing discussion between the existing Board of Trustees. Numbers are limited and the charitable company has a policy of a rolling Trusteeship/Directorship to keep the charitable company focused and forward thinking. The current Board has a range of skills including business management, sales, fundraising, arts education, art practice, curatorial practice, digital, and arts administration. This year, one Trustee stepped down after the end of his term and one Trustee stepped down due to a conflict of interest.

Bankers

HSBC UK Bank plc, 99-101 Lord Street, Liverpool, L2 6PG

Accountants

Adding Value Consultancy Ltd, Bluecoat Chambers, College Lane, Liverpool

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Trustees' Annual Report for the year ended 31 August 2024

Financial review

The charity's financial position at the end of the year ended 31 August 2024

The financial position of the charity at 31 August 2024 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2024	2023
	£	£
Net income	4,893	(47,710)
Unrestricted Revenue Funds available for the general purposes of the charity	(23,313)	(28,206)
Restricted Revenue Funds	9,847	9,847
Total Funds	(13,466)	(18,359)

Financial review of the position at the reporting date, 31 August 2024 .

Incoming resources for the year totalled £56,069 (2023: £52,973). Total expenditure in the year was £51,176 (2023: £100,683), leaving a surplus for the year of £4,893 (2023: deficit of £47,710). At 31 August 2024, the charitable company's reserves were negative £13,466 (2023: negative £18,359) of which £9,847 (2023: £9,847) represented restricted funds.

Policies on reserves.

The purpose of the Reserves Policy for is to ensure the financial stability of the organisation and that it maintains a viable operating position to deliver on its charitable objectives. Based on the current operating expenditure the Target Operating Reserve is set at £12,500 which is equivalent to three months of operating cash expenses. As of 31 August 2024 the total unrestricted funds available to be ring-fenced for Operating Reserves fell short of the three-month target.

The Operating Reserve is intended to provide an internal source of unrestricted funds for unforeseen situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding/rental income, or uninsured losses. The Reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure. Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap.

The target minimum Operating Reserve Fund is equal to three months of average operating cash expenses. The calculation of average monthly expenses excludes any costs associated with the delivery of arts related activities which are to be funded from Restricted funds and do not therefore form part of the Operating Reserve Calculation.

The amount of the Operating Reserve Fund target minimum will be calculated each year after approval of the annual budget, and reported by the Finance Sub-Committee to the Full Trustee meeting for formal approval. The Operating Reserve is a live target that will be monitored as part of the Full Trustee meeting cycle.

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The Operating Reserve Fund should be funded with surplus unrestricted operating funds. The Trustees may from time to time direct that a specific source of revenue be set aside for Operating Reserves. Examples may include eligible grant funding with unrestricted access to the funds; donations; and sponsorship related to artistic activity.

Going Concern

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held and the expected level of income and expenditure for the twelve months from authorising these financial statements. The current financial year has achieved a surplus, and although the previous financial year saw an operating deficit, this was due to a backdated charge of £41,387 from the landlord relating to prior year service charges.

The trustees assess the charity to be an ongoing concern based on review of financial performance of the current year to date, the management accounts forecast for the remainder of the financial year, and longer-term plans and forecasts for future years. As a result, the trustees are satisfied that these accounts can be prepared on an ongoing concern basis.

Availability and adequacy of assets of each of the funds

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Whilst the unrestricted reserve is currently in deficit, plans have been put in place to increase and diversify income and to control expenditure. This has resulted in an unrestricted surplus for the year.

Details of The Independent Examiner

Matthew Brown
Member of CIPFA
Bluecoat Chambers
College Lane
Liverpool
L1 3BX

Statement of the Directors' and Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2019, applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), .

In particular, the Companies Act 2006 and charity law require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

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Trustees' Annual Report for the year ended 31 August 2024

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

Method of preparation of accounts - Small company provisions

The financial statements are set out on pages 10 to 20.

The financial statements have been prepared implementing the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2019, applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016)

These financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.

This report was approved by the board of trustees on 10 June 2025.



S Mohamad Noor
Director and Trustee

TRS Gallery

Report of the Independent Examiner to the Trustees of the charitable company on the accounts for the year ended 31 August 2024

I report to the Trustees on my examination of the financial statements of the charitable company on pages 10 to 20 for the year ended 31 August 2024 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2019, applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), and under the historical cost convention and the accounting policies set out on page 13.

Respective responsibilities of the Trustees and the Independent Examiner and the basis of the report

As described on page 6, you, the charitable company's Trustees, who are also the Directors of the Company for the purposes of Company law, are responsible for the preparation of the financial statements in accordance with the Companies Act 2006, the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the memorandum and articles of the charity for the conducting of an audit, and that the accounts do not require an audit in accordance with Part 16 of the Companies Act 2006 and that no member or members have requested an audit pursuant to Section 476 of the Companies Act 2006. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

- a) examine the financial statements of the charity under Section 145 of the Act;
- b) follow the applicable procedures in the Directions given by the Charity Commission under section 145(5)(b) of the Act.

Basis of Independent Examiner's Statement and scope of work undertaken

I report in respect of my examination of the charity's financial statements carried out under s145 of the 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 Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charitable company and of the accounting systems employed by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide.

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

TRS Gallery

Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination: and can confirm that:-

The accounts of this charitable company are not required to be audited under Part 16 of the Companies Act 2006;

This is a report in respect of an examination carried out under 145 of the Act and in accordance with Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable;

and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

accounting records were not kept in respect of the charity as required by Section 386 of the Companies Act 2006 and Section 130 of The Charities Act 2011;

the financial statements do not accord with those records; or

the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in section 396 of the Companies Act 2006 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;

have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2019, applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

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.



Matthew Brown - Independent Examiner
CIPFA
Bluecoat Chambers
College Lane
Liverpool
L1 3BX

This report was signed on 19 June 2025

TRS Gallery - Statement of Financial Activities for the year ended 31 August 2024

Statement of Financial Activities (including the Income and Expenditure Account for the year ended 31 August 2024, as required by the Companies Act 2006)

	SORP Ref	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total Funds 2023 £
Income & Endowments from:					
Charitable activities	A2	56,069	-	56,069	52,973
Expenditure on:					
Charitable activities	B2	51,176	-	51,176	100,683
Total expenditure	B	<u>51,176</u>	<u>-</u>	<u>51,176</u>	<u>100,683</u>
Net income for the year		<u>4,893</u>	<u>-</u>	<u>4,893</u>	<u>(47,710)</u>
Net income after transfers	A-B-C	<u>4,893</u>	<u>-</u>	<u>4,893</u>	<u>(47,710)</u>
Net movement in funds		<u>4,893</u>	<u>-</u>	<u>4,893</u>	<u>(47,710)</u>
Reconciliation of funds:-					
	E				
Total funds brought forward		(28,206)	9,847	(18,359)	29,351
Total funds carried forward		<u>(23,313)</u>	<u>9,847</u>	<u>(13,466)</u>	<u>(18,359)</u>

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All the prior year transactions were unrestricted items, and no further analysis is required

All activities derive from continuing operations

The notes attached on pages 13 to 20 form an integral part of these accounts.

TRS Gallery - Statement of Financial Activities for the year ended 31 August 2024

Movements in revenue and capital funds for the year ended 31 August 2024

Revenue accumulated funds

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Last year Total Funds 2023 £
Accumulated funds brought forward	(28,206)	9,847	(18,359)	29,351
Recognised gains and losses before transfers	4,893	-	4,893	(47,710)
	<u>(23,313)</u>	<u>9,847</u>	<u>(13,466)</u>	<u>(18,359)</u>
Closing revenue funds	<u>(23,313)</u>	<u>9,847</u>	<u>(13,466)</u>	<u>(18,359)</u>

Summary of funds

	Unrestricted and Designated funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Last Year Total Funds 2023 £
Revenue accumulated funds	(23,313)	9,847	(13,466)	(18,359)

The notes attached on pages 13 to 20 form an integral part of these accounts.

TRS Gallery - Balance Sheet as at 31 August 2024

	Notes	SORP Ref		2024 £	2023 £
Current assets		B			
Debtors	8	B2	1,537	1,504	
Cash at bank and in hand		B4	27,564	22,759	
Total current assets			29,101	24,263	
Creditors: amounts falling due within one year	9	C1	(42,567)	(42,622)	
Net current assets				(13,466)	(18,359)
The total net assets of the charity				(13,466)	(18,359)

The total net assets of the charity are funded by the funds of the charity, as follows:-

Restricted funds					
Restricted Revenue Funds	13	D2	9,847	9,847	9,847
				9,847	
Unrestricted Funds					
Unrestricted Revenue Funds	13	D3	(23,313)	(28,206)	(28,206)
				(23,313)	
Designated Funds					
				-	-
Total charity funds				(13,466)	(18,359)

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The member has not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 9.

The financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.



S Mohamad Noor
Trustee

Approved by the board of trustees on 10 June 2025

The notes attached on pages 13 to 20 form an integral part of these accounts.

TRS Gallery

Notes to the Accounts for the year ended 31 August 2024

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2019, applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2019, applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Going Concern

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held and the expected level of income and expenditure for the twelve months from authorising these financial statements. Although the current financial year saw an operating deficit, this was due to a backdated charge of £41,387 from the landlord relating to prior year rents and service charges. We are currently in discussion with the landlord to agree the appropriateness of the charges and to negotiate a payment plan to clear these arrears if necessary.

Plans are being put in place to increase and diversify income and to control expenditure. The trustees assess the charity to be an ongoing concern based on review of financial performance of the current year to date, the management accounts forecast for the remainder of the financial year, and longer-term plans and forecasts for future years. As a result, the trustees are satisfied that these accounts can be prepared on an ongoing concern basis.

Risks and future assumptions

The charity is a public benefit entity.

Policies relating to expenditure on goods and services provided to the charity.

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Tangible fixed assets

Tangible fixed assets are all fully depreciated.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

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Notes to the Accounts for the year ended 31 August 2024

Creditors and provisions

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

Financial instruments including cash and bank balances

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

There are no designated funds.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal or as implied by law.

There are no endowment funds.

2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

4 Significance of financial instruments to the charity's position

There are no significant implications of such matters.

5 The contribution of volunteers

The charity depends on the support of its volunteers, which is much appreciated. The arrangements with volunteers are difficult to value precisely in monetary terms and have not been recognised in the Statement of Financial Activities. The volunteers and the charity accept and agree that no contract of employment is created by these arrangements.

6 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

TRS Gallery

Notes to the Accounts for the year ended 31 August 2024

7 Tangible fixed assets

<i>Current Year</i>	Improvement to property	Equipment & fittings	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 September 2023	8,619	2,406	-	11,025
At 31 August 2024	8,619	2,406	-	11,025
Depreciation				
At 1 September 2023	8,619	2,406	-	11,025
At 31 August 2024	8,619	2,406	-	11,025
Net book value				
At 31 August 2024	-	-	-	-

8 Debtors

	2024	2023
	£	£
Trade debtors	1,109	1,227
Prepayments and accrued income	428	277
	1,537	1,504

9 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	41,387	55
Accruals	1,180	42,567
	42,567	42,622

10 Income and Expenditure account summary

	2024	2023
	£	£
At 1 September 2023	(18,359)	29,351
Surplus after tax for the year	4,893	(47,710)
At 31 August 2024	(13,466)	(18,359)

TRS Gallery

Notes to the Accounts for the year ended 31 August 2024

11 Related party transactions

Trustees S Mohamad Noor and M O'Brien are also studio holders.

12 Particulars of how particular funds are represented by assets and liabilities

At 31 August 2024	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Current Assets	19,254		9,847	29,101
Current Liabilities	(42,567)	-	-	(42,567)
	(23,313)	-	9,847	(13,466)

At 1 September 2023	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Current Assets	14,416	-	9,847	24,263
Current Liabilities	(42,622)	-	-	(42,622)
	(28,206)	-	9,847	(18,359)

13 Change in total funds over the year as shown in Note 12 , analysed by individual funds

	Funds brought forward from 2023 £	Movement in funds in 2024 See Note 14 £	Transfers between funds in 2024 See Note 0 £	Funds carried forward to 2025 £
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	(28,206)	4,893	-	(23,313)
Total unrestricted and designated funds	(28,206)	4,893	-	(23,313)
Restricted funds:-				
Estate of the late Mrs AF Frohlich	9,847	-	-	9,847
Total restricted funds	9,847	-	-	9,847
Total charity funds	(18,359)	4,893	-	(13,466)

TRS Gallery

Notes to the Accounts for the year ended 31 August 2024

14 Analysis of movements in funds over the year as shown in Note 13

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2024	2024	2024	2024
	£	£	£	£
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	56,069	(51,176)	-	4,893
	56,069	(51,176)	-	4,893

15 The purposes for which the funds

Unrestricted and designated funds:-

Unrestricted Revenue Funds

These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.

Restricted funds:-

Estate of the late Mrs AF Frohlich

Bequest granted to contribute towards hiring a permanent Studio Manager & supporting residency scheme for HEI graduates.

16 Ultimate controlling party

The charity is under the control of its legal members.

Every member of the charity is obliged to contribute such amount as may be required not exceeding £1 to the assets of the company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

TRS Gallery

Detailed analysis of income and expenditure for the year ended 31 August 2024 as required by the SORP 2015

This analysis is classified by conventional nominal descriptions and not by activity.

17 Income from charitable activities - Trading Activities

<i>Current year</i>	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total funds 2023 £
Primary purpose and ancillary trading				
Rents receivable	43,355	-	43,355	46,081
Event hire	9,072	-	9,072	1,500
Fundraising activities	3,642	-	3,642	5,392
Total Primary purpose and ancillary trading	56,069	-	56,069	52,973

18 Total Income from charitable activities

<i>Current year</i>	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total Funds 2023 £
Total income from charitable trading	56,069	-	56,069	52,973
Total from charitable activities	56,069	-	56,069	52,973

19 Expenditure on charitable activities - Direct spending

<i>Current Year</i>	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total Funds 2023 £
Project and event costs	602	-	602	4,640
Total direct spending	602	-	602	4,640

20 Expenditure on charitable activities - Charitable trading

<i>Current Year</i>	Current year Unrestricted Funds 2024 £	Current year Restricted Funds 2024 £	Current year Total Funds 2024 £	Prior Year Total Funds 2023 £
Reallocated from support costs	49,394	-	49,394	94,863
Total charitable trading costs	49,394	-	49,394	94,863

TRS Gallery

Detailed analysis of income and expenditure for the year ended 31 August 2024 as required by the SORP 2015

21 Support costs for charitable activities

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2024	2024	2024	2023
	£	£	£	£
Premises Expenses				
Rent payable under operating leases	43,741	-	43,741	85,063
Rates and water charges	583	-	583	1,111
Administrative overheads				
Subscriptions and office costs	557	-	557	1,995
Advertising and website	-	-	-	76
Insurance	1,724	-	1,724	1,676
Sundry expenses	13	-	13	-
Studio rent unrecovered	-	-	-	1,871
Professional fees paid to the Auditor or Independent Examiner in addition to audit and examination fees				
Fees paid to the examiner's firm	2,338	-	2,338	2,606
Financial costs				
Bank charges	438	-	438	465
Support costs allocated to charitable activities	49,394	-	49,394	94,863

22 Other Expenditure - Governance costs

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2024	2024	2024	2023
	£	£	£	£
Independent Examiner's fees	1,180	-	1,180	1,180
Total Governance costs	1,180	-	1,180	1,180

TRS GALLERY

England & Wales - Charity number 1152968

Accounts

TRS GALLERY

INDEPENDENTLY EXAMINED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 AUGUST 2023

Company Number: 06988365

Charity Number: 1152968

The Royal Standard
Northern Lights
5 Mann Street
Liverpool
L8 5AF

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023**

TRUSTEES and DIRECTORS

M Hooper
J Buso
S Mohamad Noor
M O'Brien
Dr J Schofield
A Christey-Kelly (Chair)
S Mercer (resigned 6th April 2023)
E Harris (appointed 6th April 2023)
D Lally (appointed 6th April 2023)
M Retallick (appointed 6th April 2023)

REGISTERED OFFICE

5 Mann Street, Northern Lights, Liverpool, L8 5AF

COMPANY NUMBER

06988365

CHARITY NUMBER

1152968

BANKERS

HSBC

INDEPENDENT EXAMINER

Matthew Brown, CPFA
Adding Value Consultancy Ltd
Bluecoat Chambers
School Lane Liverpool L1 3BX

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023**

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**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023**

TRUSTEES' REPORT

The trustees present their report and accounts for the year ended 30 August 2023 for TRS Gallery, which is also known as The Royal Standard.

PRINCIPAL ACTIVITIES

The charitable company develops, promotes and advances the arts, including visual arts, craft and design, video, sound and digital arts and performance art.

CHARITABLE OBJECTIVES

The charitable company aims to:

- Provide affordable studio spaces and supportive community to artists
- Showcase exciting, innovative exhibitions and events
- Work with the most outstanding recent graduates and emerging artists as well as more established practitioners and other artist-led initiatives
- Develop a dynamic and challenging gallery programme
- Build local, national and international audiences; and
- Develop existing local, national and international relationships.

The charitable company aims to support and develop:

- New audiences: locally, nationally and internationally
- Opportunities for participation in arts activities; and
- Curatorial knowledge and resources.

SUMMARY OF ACTIVITIES UNDERTAKEN TO FURTHER THE OBJECTS

The charitable company will pursue these aims by the following principles:

- Provide equality of opportunity, in both its work in the arts and the development of the organisation
- Implement financial planning and increase paid capacity in the team to better support finances, governance, and studio management operations
- Consult with community to better inform programme and serve the needs of the community
- Developing existing partnerships with organisations; and
- Creating and sustaining a mixed funding base

PUBLIC BENEFIT STATEMENT

In considering the objectives and activities, the Trustees have considered Charity Commission guidance on public benefit to ensure that the organisation is meeting its public benefit requirements.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023**

TRUSTEES' REPORT

ORGANISATION AND LEGAL STATUS

The charity is a company limited by guarantee and registered as a Charity. The charitable company is controlled by its governing document, memorandum of articles incorporated on 12th August 2009 as amended by special resolution(s) dated 8th March 2013 as registered at Companies House on 5th April 2013.

The organisation is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is £1.

TRUSTEES AND THEIR APPOINTMENT AND TRAINING

The charitable company is governed by a Board of Trustees, who are also its Directors. Members of the Board of Trustees during the year are listed above.

Trustees are recruited based on a regular review if skills considered necessary and ongoing discussion between the existing Board of Trustees. Numbers are limited and the charitable company has a policy of a rolling Trusteeship/Directorship to keep the charitable company focused and forward thinking. The current Board has a range of skills including business management, sales, fundraising, arts education, art practice, curatorial practice, digital, and arts administration. This year we took on three new trustees to further diversify these skills, specifically with an aim of strengthening links with other arts organisations and teaching institutions (the new Trustees work for Tate, National Museums Liverpool, and Manchester School of Art).

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR

The charitable company delivered several programmes and events in the year attracting new and existing audiences to the gallery and studios.

The focus for the organisation for the 22/23 period of activity has been to re-establish operational good practices, build studio membership capacity/activity and start a conversation on future plans.

Following the recruitment of a new cohort of Artist Leads, work has been ongoing between Trustees and ALs to formalise the way we report on activity. A series of standard reporting templates have been drafted and are used to collect key performance indicators linked to operational, artistic output and financial aspects of the organisation. The intention is for these to be completed on a monthly basis and reported to Trustees quarterly. This will provide transparency on the short to mid-term health of the organisation.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023

TRUSTEES' REPORT

The Artist Leads have also developed and improved our website to become a dynamic platform that promotes TRS news, events, and information, and showcases studio holders' work. This has included a monthly newsletter showcasing the work of studio members and providing a platform for promoting events and exhibitions.

The Artist Leads have built a strong demand for studio space which is now at full capacity and with a healthy waiting list which will minimise any risks to rental income linked to void spaces. There are some issues with a small minority of studio holders falling into rent arrears. As such we are working with those studio members to agree a payment plan to clear arrears. We are also looking at redrafting contracts to set out a policy for managing future arrears. This will include the requirement of a deposit, rent payments in advance, and a three-month termination trigger if holders do not engage in resolving any incurred arrears.

Work has also begun on rebuilding and consolidating links and support with other partner organisations across Merseyside. This is supported with the recruitment of three new Trustees who have good links to some of the more established arts organisations across the region.

From September 2022 - August 2023, one successful fundraiser was held, which took on a traditional auction format, highlighting the work of studio members and local artists, and generating funds for TRS.

As part of our long-standing relationship with Liverpool School of Art and Design, we have provided access to our facilities, and have worked with the LJMU graduates to help support their development through events. For the 2022/2023 academic year, we supported 3 recent graduates.

During 2022 - 2023, we have held over 30 exhibitions, workshops and performance events. Some programme highlights include:

- Homotopia creative skills zine workshop - Aug 29, 2023
- Biennial 2023: Karesansui: Dan O'Dempsey - Aug 18, 2023 – Aug 27, 2023
- Biennial 2023: Post Factum: Cos Ahmet & Gary Finnegan - Aug 10, 2023 – Aug 12, 2023
- Biennial 2023: Y Bala: Anna Jane Houghton and Abbie Bradshaw - Jul 28, 2023 – Aug 3, 2023
- Biennial 2023: Maeve Thompson - Jul 21, 2023 – Jul 25, 2023
- Biennial 2023: ¡Gender Dada!: Kelly Stubbs - Jul 20, 2023
- Biennial 2023: Sorry, Did You Miss Me?: Stephanie Trujillo - Jul 16, 2023 – Jul 19, 2023
- Biennial 2023: Phelgm: Ellie Hoskins - Jul 13, 2023
- Biennial 2023: Set To Default: Daniel Halsall - Jul 6, 2023 – Jul 12, 2023
- Biennial 2023: The Case FOR FORCING: Luke George - Jun 30, 2023 – Jul 3, 2023
- Homotopia Creative skills workshop: photography - Jun 27, 2023
- Biennial 2023: How to Wear HIGH Heels: Elisa Sallis and Xanthe Tilzley - Jun 23, 2023 – Jun 25, 2023
- Dingle Community Print Collage Workshop: SOCIAL SPACE) - Jun 21, 2023
- Biennial 2023: From Point A to Point B: Elizabeth Challinor - Jun 16, 2023

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023**

TRUSTEES' REPORT

- Biennial 2023: Under the Cracked Lid of The Beetroot Man: Freddy Francké - Jun 9, 2023 – Jun 11, 2023
- DYSPLA Neurodivergent Aesthetics VR/AR - May 18, 2023 – May 20, 2023
- My Home Mon Pays: Eurovision 2023 - May 10, 2023 – May 13, 2023
- No Rhyme No Reason - May 5, 2023
- Conversations With Painting - Apr 21, 2023
- Havin' A Go - Apr 7, 2023
- Passage - Mar 24, 2023
- 5 To Midnight - Mar 16, 2023
- The Timeline - Feb 24, 2023 – Feb 25, 2023
- Head in the Clouds - Feb 12, 2023 – Feb 23, 2023
- Praxis: A Graduate Programme Exhibition by Axisweb - Feb 3, 2023
- Swap Shop - Jan 30, 2023
- Knit, Knot, and Knatter - Jan 21, 2023
- Taking Up Space - Jan 20, 2023
- GLISK - Nov 18, 2022
- they say everyone has to start somewhere.... - Oct 28, 2022 – Nov 3, 2022
- Space Cowboy Studio Show - Oct 14, 2022
- Do They Owe Us A Living? - Aug 17, 2022 – Sep 24, 2022

FUTURE PLANS

The Royal Standard's organisational development remains under constant review as we look for ways to improve TRS's services to benefit its artists, volunteers, and the wider community of emerging practitioners. A review of the historic Business Plan is to be conducted to agree a set of help guide and monitor our medium and longer-term goals.

Our main focus and priority will be on continuing to support artists through access to opportunities, support with funding, and increased opportunities to input and participate in the shaping of our programme.

However, we have a couple of major medium-term priorities that will form the focus of our change management programme. These are the potential appointment of a temporary paid position and a review of options for a new 'home' following the termination of our lease at Northern Lights in 2026.

Consideration is ongoing on the benefits of a paid position to support our team of volunteers and take on some of the tasks that can challenge the capacity of the team. This will predominantly include financial and operational tasks, freeing up more time for the Artist Leads to focus on programme, studio support, and marketing. With an increased focus on these areas, it is intended that the voluntary roles will be both more attractive to potential new candidates and more beneficial in supporting their career aims and providing time to work on creative projects.

Discussions will also be launched to consider a strategy to facilitate a move from Northern Lights in the next two years. This will start with a broad review of location/facility/cost priorities to set a brief of what a successful new home looks like. A full task and action plan will then be developed to set milestone targets that will be monitored on our journey to a new venue.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023

TRUSTEES' REPORT

We will also continue to work alongside LJMU in the facilitation of the Poly Residency Scheme, helping to support emerging young artists within the city region.

We are also keen to consult with the community in terms of what they would like from us as an organisation when planning our future programme for 2023-24. We plan to hold a series of consultancy sessions in our gallery space, inviting artists, peers, community members and organisations to discuss the role we play in the community. We will invite views on what the community would like to see and how our programme can better reflect them and their interests.

We are also looking to build our profile and connections with wider arts-led partner organisations in the city and beyond through artist exchange programmes and studio residency opportunities (LJMU), exhibition/gallery projects (Bluecoat) and studio crits (Bridewell, Convenience). Also, the studio is working on building partnerships with professional businesses such as framing and art supplies services.

We are also hoping to significantly develop the fundraising potential of the bi-annual art auctions by building relationships with corporate clients, extending its outreach to professional (non-art) audiences, and nurturing a buyers list that builds cumulatively with each successive event.

GOING CONCERN

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held and the expected level of income and expenditure for the twelve months from authorising these financial statements. Although the current financial year saw an operating deficit, this was due to a backdated charge of £41,387 from the landlord relating to prior year rents and service charges. We are currently in discussion with the landlord to agree the appropriateness of the charges and to negotiate a payment plan to clear these arrears if necessary.

Plans are being put in place to increase and diversify income and to control expenditure. The trustees assess the charity to be an ongoing concern based on review of financial performance of the current year to date, the management accounts forecast for the remainder of the financial year, and longer-term plans and forecasts for future years. As a result, the trustees are satisfied that these accounts can be prepared on an ongoing concern basis.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023**

TRUSTEES' REPORT

ORGANISATIONAL DEVELOPMENT

We remain focused on how our activity can support artists from our Artist Leads to our studio artists and a wider community of local artists and participants. Internally, our main focus is still to develop and support Artist Leads as the custodians of operational, financial and programme management but with support from Trustees when needed. Further consideration is still under review on the benefit of an Operations and Financial Manager to remove the burden on our Artist Leads which hinders the opportunity to develop creative ideas, support our studio artists, and work on networking with the local community. While we have partial funding secured to support this role, further funding, consultation, and support are needed to achieve this work which will be undertaken by trustees, consultants, and critical friends.

RISK MANAGEMENT

The main risks to which the charitable company is exposed as identified by the Trustees have been considered and systems have been established to mitigate those risks. One of the key short term risks identified has been a rise in studio rent arrears and a review of policy and procedures to mitigate this risk has been initiated.

FINANCIAL REVIEW

Incoming resources for the year totalled £52,973 (2022: £61,448) of which £0 (2022: £2,429) related to funding for projects upon which restrictions are placed. Total expenditure in the year was £100,683 (2022: £57,193), leaving a deficit for the year of £47,710 (2022: surplus £4,309). At 30 August 2023, the charitable company's reserves were £-22,668 (2022: £29,531) of which £9,847 (2022: £9,847) represented restricted funds.

RESERVES POLICY

The purpose of the Reserves Policy is to ensure the financial stability of the organisation and that it maintains a viable operating position to deliver on its charitable objectives. Based on the current operating expenditure the Target Operating Reserve is set at £12,500 which is equivalent to three months of operating cash expenses.

Definitions, Targets and Reporting:

The Operating Reserve is intended to provide an internal source of unrestricted funds for unforeseen situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding/rental income, or uninsured losses. The Reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure. Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap.

The target minimum Operating Reserve Fund is equal to three months of average operating cash expenses. The calculation of average monthly expenses excludes any costs associated with the delivery of arts related activities which are to be funded from Restricted funds and do not therefore form part of the Operating Reserve Calculation.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023**

TRUSTEES' REPORT

The amount of the Operating Reserve Fund target minimum will be calculated each year after approval of the annual budget, and reported by the Finance Sub-Committee to the Full Trustee meeting for formal approval. The Operating Reserve is a live target that will be monitored as part of the Full Trustee meeting cycle.

Funding of Reserves:

The Operating Reserve Fund should be funded with surplus unrestricted operating funds. The Trustees may from time to time direct that a specific source of revenue be set aside for Operating Reserves. Examples may include eligible grant funding with unrestricted access to the funds; donations; and sponsorship related to artistic activity.

Use of Reserves:

Use of the Operating Reserves requires three steps:

1. Identification of appropriate use of reserve funds - The Trustees and Artist Leads will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. This step requires analysis of the reason for the shortfall, the availability of any other sources of funds before using reserves, and evaluation of the time period that the funds will be required and replenished.

2. Authority to use operating reserves - A request to use Operating Reserves will be submitted to Trustees for approval as part of a Full Trustee meeting agenda item. The request should include the analysis and determination of the use of funds and plans for replenishment.

The organisation's goal is to replenish the funds used within twelve months to restore the Operating Reserve Fund to the target minimum amount. If the use of Operating Reserves will take longer than 12 months to replenish, the request will be scrutinized more carefully. The Trustees will approve or modify the request and authorise transfer from the fund. This will be recorded as a minute within the Full Trustee meeting report

3. Reporting and monitoring - A nominated Artist Lead is responsible for ensuring that the Operating Reserve Fund is maintained and used only as described in this Policy. Upon approval for the use of Operating Reserve funds, the Artist Lead will maintain records of the use of funds and plan for replenishment. He/she will provide regular reports to the Finance Sub-Committee and trustees of progress to restore the Fund to the target minimum amount. The use and current status/level of Operating Reserves will be an Agenda item at the Full Trustee meeting

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023**

TRUSTEES' REPORT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law 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 as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently
- observe the methods and principle in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue as a going concern
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

APPROVAL

This report has been prepared in accordance with the Charities Act 2011, Companies Act 2006, Accounting and Reporting by Charities; Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015).

This report was approved by the Board of Trustees on 9th September 2024 and signed on their behalf:



S Mohamad Noor

Trustee

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023**

INDEPENDENT EXAMINER'S STATEMENT

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the trustees on our examination of the accounts for the year ended 30 August 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached although I must draw your attention to page 7 of the Trustees Report regarding going concern.



Matthew Brown, CPFA
Adding Value Consultancy Ltd
Accountants and Financial Management Consultants

Date: 9th September 2024

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)

	Notes	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Income and endowments from:					
Donations and legacies	2	0	0	0	30
Other Trading activities	3	52,973	0	52,973	61,418
Total Income and endowments		<u>52,973</u>	<u>0</u>	<u>52,973</u>	<u>61,448</u>
Expenditure:					
Expenditure on charitable activities	4	99,645	0	99,645	56,452
Fundraising	5	1,038	0	1,038	687
Total Expenses		<u>100,683</u>	<u>0</u>	<u>100,683</u>	<u>57,139</u>
Net (Expenditure)/Income		(47,710)	0	(47,710)	4,309
Transfers between funds		0	0	0	0
Net (Expenditure)/Income for the year		(47,710)	0	(47,710)	4,309
Total Funds brought forward		19,504	9,847	25,042	25,042
Net funds carried forward		<u>(28,206)</u>	<u>9,847</u>	<u>(22,668)</u>	<u>29,351</u>

The Statement of Financial Activities includes all gains and losses recognised during the year. All income and expenditure relate to continuing operations.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023

BALANCE SHEET AS AT 31 AUGUST 2023

Company Number: 06988365

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible Fixed Assets	7	0	0
CURRENT ASSETS			
Debtors (amounts falling due within one year)	8	1,504	4,343
Cash at bank and in hand		22,759	29,011
		<u>24,263</u>	<u>33,353</u>
CREDITORS: Amounts falling due within one year	9	<u>(42,622)</u>	<u>(4,002)</u>
NET CURRENT LIABILITIES		(18,359)	29,351
TOTAL ASSETS LESS LIABILITIES		<u>(18,359)</u>	<u>29,351</u>
RESERVES			
Unrestricted funds - General Fund	11	(28,206)	19,504
Restricted Funds	12	9,847	9,847
		<u>(18,359)</u>	<u>29,351</u>

For the year ending 30 August 2023 the company was entitled to exemption under section 477 of the Companies Act relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the board of trustees on 9th September 2024 and signed on their behalf:



S Mohamad Noor
Trustee

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

1a. Basis of Accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) 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 and Republic of Ireland (FRS102) (SORP 2015) (effective 1st January 2015), Charities Act 2011 and the Companies Act 2006.

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

1b. Fund accounting

Unrestricted funds are the charitable company's free reserves available for the Trustees to apply in accordance with the charitable company's charitable objectives.

Restricted funds are subject to specific restrictive conditions imposed by the donor. All restricted funds are accounted for as restricted income and expenditure for the purposes is charged to the fund.

1c. Income recognition

All income is recognised once the charitable company has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies comprise of donations and general grants which are recognised in the accounts when received, with the exception of known legacies which are accounted for when their receipt is certain.

Other trading income relates to all fundraising events and is recognised when the amounts are certain.

1d. Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (continued)

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Expenditure on charitable activities relate to the operation of the charitable company comprising of direct charitable expenditure to meet the objectives of the charitable company. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the charitable company.

1e. Tangible fixed assets

Tangible fixed assets are stated in the balance sheet as cost or revaluation less accumulated depreciation. Capital expenditure of £100 and above is treated as a fixed asset. Depreciation is provided to write off the cost of each asset over its expected useful life as below:

Improvements to property	25% per annum straight line basis
Plant and machinery	25% per annum straight line basis

1f. 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.

1g. Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1h. Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023**

NOTES TO THE ACCOUNT

1. ACCOUNTING POLICIES (continued)

1j. Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

1k. Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1l. Taxation

Income and gains are exempt from taxation as they are received and applied for charitable purposes only. The charitable company benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

1m. Critical accounting estimates and judgements

In the application of the charitable company'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 on-going 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.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023

NOTES TO THE ACCOUNTS

2. INCOME AND ENDOWMENTS FROM DONATIONS AND LEGACIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	<i>Total Funds 2022 £</i>
Donations and sponsorship	0	-	0	30
Grants Receivable	-	0	0	0
	<u>-</u>	<u>-</u>	<u>-</u>	<u>30</u>

3. INCOME AND ENDOWMENTS FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	<i>Total Funds 2022 £</i>
Fundraising	5,392	-	5,392	7,708
Event Hire	1,500	-	1,500	1,868
Rents Receivable	46,081	-	46,081	51,843
	<u>52,973</u>	<u>-</u>	<u>52,973</u>	<u>61,419</u>

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Charitable Expenditure 2023 £	Support Finance & Governance 2023 £	Total 2023 £	<i>Total 2022 £</i>
Operation of an artists' gallery and exhibitions	40,812	58,833	99,645	56,452
	<u>40,812</u>	<u>58,833</u>	<u>99,645</u>	<u>56,452</u>

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023

NOTES TO THE ACCOUNTS

4. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

Direct Charitable Expenditure	2023	2022
	£	£
Fees and other costs	-	-
Insurance	670	542
Operating Leases	34,025	16,299
Project Costs	3,602	2,162
Rates and water	444	911
Website & advertising	76	400
Subscriptions & office costs	1,995	3,417
Depreciation	-	-
	<u>40,812</u>	<u>23,731</u>
 Support Finance & Governance	 2023	 2022
	£	£
Accountancy, professional and legal fees	2,606	2,023
Bank charges	465	528
Write off of rental income arrears	1,871	2,480
Insurance	1,006	813
Independent Examination fees	1,180	1,062
Operating leases	51,038	24,448
Rates and water	667	1,367
	<u>58,833</u>	<u>32,721</u>

In the year £0 (2022: £2,429) of the above expenditure relates to restricted funding.

All costs, unless easily identifiable, have been apportioned between Charitable Activities and Support Costs at 40% and 60% respectively. This ratio is considered by the Trustees to fairly reflect the split of expenditure undertaken within the charity.

5. EXPENDITURE ON FUNDRAISING ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2023	2023	2023	2022
	£	£	£	£
Events	1,038	-	1,038	687
	<u>1,038</u>	<u>-</u>	<u>1,038</u>	<u>687</u>

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023

NOTES TO THE ACCOUNTS

6. TRUSTEES REMUNERATION AND BENEFITS

No Remuneration or expenses were incurred (2022: £247.07).

7. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Total £
Cost			
At 31 August 2022	8,619	2,406	11,025
At 30 August 2023	<u>8,619</u>	<u>2,406</u>	<u>11,025</u>
Depreciation			
At 31 August 2022	8,619	2,406	11,025
At 30 August 2023	<u>8,619</u>	<u>2,406</u>	<u>11,025</u>
Net Book Value			
At 30 August 2023	-	-	-
At 31 August 2022	-	-	-

8. DEBTORS

Amounts falling due within one year:	2023 £	2022 £
Rental Debtors	1,227	4,343
Other Debtors	0	0
Prepayments	<u>277</u>	<u>0</u>
	<u>1,504</u>	<u>4,343</u>

9. CREDITORS: amounts falling due within one year

Amounts falling due within one year:	2023 £	2022 £
Accruals	42,567	3,512
Deferred Income	0	0
Trade Creditors	<u>55</u>	<u>492</u>
	<u>42,622</u>	<u>4,004</u>

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023

NOTES TO THE ACCOUNTS

11. UNRESTRICTED FUNDS

	Brought Forward £	Incoming Resources £	Outgoing Resources £	Transfer from restricted reserve £	Carried Forward £
General Fund	19,504	52,973	100,683	0	-28,206
	<u>19,504</u>	<u>52,973</u>	<u>100,683</u>	<u>0</u>	<u>-28,206</u>

12. RESTRICTED FUNDS

	Brought Forward £	Incoming Resources £	Outgoing Resources £	Transfer to unrestricted reserve	Carried Forward £
Frolich Estate	9,847	0	0		9,847
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>9,847</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,847</u>

These are the monies given to the charitable company to be spent for specific purposes:

- **Estate of the Late Mrs AF Frohlich** - Bequest granted to contribute towards hiring a permanent Studio Manager & supporting residency scheme for HEI graduates.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Unrestricted Funds £	Restructed Funds £	Total Funds £
Tangible Fixed Assets	0	0	0
Net Current Assets/(Liabilities)	<u>-28,206</u>	<u>9,847</u>	<u>-18,359</u>
	<u>-28,206</u>	<u>9,847</u>	<u>-18,359</u>

14. RELATED PARTY TRANSACTIONS

Trustee S Mohamad Noor is also a studio holder.

There were no other material related party transactions during the year which require disclosure (2022: none).

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 30 AUGUST 2023

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

This page does not form part of the statutory financial statements

Incoming Resources for the year ending 30 August 2023	Notes	2023 £	2022 £
Donations and legacies			
Donations and Sponsorship	2	0	30
Grants	3	0	0
		<u>0</u>	<u>30</u>
 Other Trading Activities			
Donations and Sponsorship	2	5,392	7,707
Event Hire		1,500	1,868
Rents Receivable	3	46,081	51,843
		<u>52,973</u>	<u>61,418</u>
 Total Incoming Resources		<u>52,973</u>	<u>61,448</u>
 Expenditure for the year ending 30 August 2023	Notes	2023 £	2022 £
Fundraising			
Events	2	1,038	687
 Charitable Activities			
Insurance		670	542
Operating Leases		34,025	16,299
Project Costs		3,602	2,162
Rates and Water		444	911
Website and Advertising		76	400
Subscription and office costs		1,995	3,417
		<u>40,812</u>	<u>23,731</u>
 Support Costs			
Insurance		1,006	813
Operating Leases		51,038	24,448
Rates and Water		667	1,367
		<u>52,711</u>	<u>26,628</u>
 Finance Costs			
Bank Charges		465	528
Write off and provision of rental income arrears		1,871	2,480
 Governance Costs			
Governance - accountancy and professional fees		3,786	3,085
 Total Resources Expended		<u>100,683</u>	<u>57,139</u>
 Net Income/(Expenditure)		<u>-47,710</u>	<u>4,309</u>

TRS GALLERY

England & Wales - Charity number 1152968

Accounts

TRS GALLERY

INDEPENDENTLY EXAMINED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

Company Number: 06988365

Charity Number: 1152968

The Royal Standard
Northern Lights
5 Mann Street
Liverpool
L8 5AF

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

TRUSTEES

M Hooper

J Buso (appointed 21st February 2022)

A Kelly (Chair) (appointed 21st February 2022)

S Mercer (appointed 21st February 2022)

S Mohamad Noor (appointed 21st February 2022)

M O'Brien (appointed 21st February 2022)

J Schofield (appointed 21st February 2022)

R Stockill (resigned 1st January 2022)

M Ball (resigned 1st January 2022)

M Brewster (resigned 29th October 2021)

D Evans (resigned 1st January 2022)

Y Karcheva (resigned 29th October 2021)

L Payot (resigned 1st January 2022)

REGISTERED OFFICE

5 Mann Street,
Liverpool, L8 5AF

COMPANY NUMBER

06988365

CHARITY NUMBER

1152968

BANKERS

HSBC

INDEPENDENT EXAMINER

Matthew Brown, CPFA
Adding Value Consultancy Ltd
Bluecoat Chambers
School Lane Liverpool L1 3BX

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

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**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

TRUSTEES' REPORT

The trustees present their report and accounts for the year ended 31 August 2022 for the TRS Gallery, which is also known as The Royal Standard.

PRINCIPAL ACTIVITIES

The charitable company develops, promotes and advances the arts, including visual arts, craft and design, video, sound and digital arts and performance art.

CHARTIABLE OBJECTIVES

The charitable company aims to:

- Provide affordable studio spaces and supportive community to emerging artists
- Showcase exciting, innovative exhibitions and events
- Work with the most outstanding recent graduates and emerging artists as well as more established practitioners and other artist-led initiatives
- Develop a dynamic and challenging gallery programme
- Build national audiences; and
- Develop existing local and national relationships.

The charitable company aims to support and develop:

- New audiences: locally, nationally and internationally
- Opportunities for participation in arts activities; and
- Curatorial knowledge and resources.

SUMMARY OF ACTIVITIES UNDERTAKEN TO FURTHER THE OBJECTS

The charitable company will pursue these aims by the following principles:

- Provide equality of opportunity, in both its work in the arts and the development of the organisation
- Implement financial planning and increase paid capacity in the team to better support finances, governance, and studio management operations
- Consult with community to better inform programme and serve the needs of the community
- Developing existing partnerships with organisations; and
- Creating and sustaining a mixed funding base

PUBLIC BENEFIT STATEMENT

In considering the objectives and activities, the Trustees have considered Charity Commission guidance on public benefit to ensure that the organisation is meeting its public benefit requirements.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

TRUSTEES' REPORT

ORGANISATION AND LEGAL STATUS

The charity is a company limited by guarantee and registered as a Charity. The charitable company is controlled by its governing document, memorandum of articles incorporated on 12th August 2009 as amended by special resolution(s) dated 8th March 2013 as registered at Companies House on 5th April 2013.

The organisation is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is £1.

TRUSTEES AND THEIR APPOINTMENT AND TRAINING

The charitable company is governed by a Board of Trustees, who are also its Directors. Members of the Board of Trustees during the year are listed above.

Trustees are recruited based on a regular review if skills considered necessary and ongoing discussion between the existing Board of Trustees. Numbers are limited and the charitable company has a policy of a rolling Trusteeship/Directorship to keep the charitable company focused and forward thinking. The current Board has a range of skills including business management, sales, fundraising, arts education, art practice, curatorial practice, digital, and arts administration. This year we took on five new trustees to further diversify these skills, specifically with an aim of getting more artistic representation on the Board which has been achieved through the appointment of two current studio members, one of whom is a former Artist Lead.

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR

The charitable company delivered several programmes and events in the year attracting new and existing audiences to the gallery and studios.

The focus for the organisation for the 21/22 period of activity has been to re-establish operational good practices, build studio membership capacity/activity and start a conversation on future plans. This has been necessary as we have moved out of the restrictions imposed by Covid-19 over the previous periods and begun to re-build a strong anchor for emerging artists across Liverpool.

Following the recruitment of a new cohort of Artist Leads, work has been ongoing between Trustees and ALs to formalise the way we report on activity. A series of standard reporting templates have been drafted and are used to collect key performance indicators linked to operational, artistic output and financial aspects of the organisation. The intention is for these to be completed on a monthly basis and reported to Trustees quarterly. This will provide transparency on the short to mid-term health of the organisation.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

TRUSTEES' REPORT

The Artist Leads have also developed and improved our website to become a dynamic platform that promotes TRS news, events, and information, and showcases studio holders' work.

The current Artist Leads have built a strong demand for studio space which is now at full capacity and with a healthy waiting list which will minimise any risks to rental income linked to void spaces. With the lifting of restrictions, the team have also embraced opportunities to promote studio members' work in the form of a number of in-person exhibitions. A summary of gallery activity is listed below.

Work has also begun on rebuilding and consolidating links and support with other partner organisations across Merseyside. This will form part of the focus for both future activities with Artist Leads and for the recruitment of new Trustees in 2023.

From September 2021 - August 2022, two successful fundraisers were held, which took on a traditional auction format, highlighting the work of studio members and local artists, and generating funds for TRS.

As we look at the short, medium and longer-term priorities of the organisation the team has held an away day, facilitated by Andrea Nixon, where we identified what we will need to do to respond to the coming year. This will be used to inform an updated business plan to be drafted and signed off in mid-2023.

We have also stepped back from the lease with AxisWeb linked to the development of a space for artistic activity in the former M&S store in Bootle. The TRS team supported a small group of artists to establish the space and to ensure some key Health and Safety aspects were addressed. However, the core TRS team felt that the work required to develop and sustain the space in Bootle was a distraction from the core work required at Northern Lights.

As part of our long-standing relationship with Liverpool School of Art and Design, we have re-established the new graduate residency at our studio. In that time, we have provided access to our facilities, and have worked with the graduates to help support their development through events. For the 2021/2022 academic year, we supported 3 recent graduates:

- Gold Akanbi / Autumn 2021 - Spring 2022
- Charlie Donnelly-Dobson / Winter 2021 - Spring 2022
- Jessica Povell / May - September 2022

During 2021 - 2022, we have held 26 exhibitions and performance events. Some programme highlights include:

- **Do They Owe Us A Living?** - Group exhibition co-hosted by the Bluecoat and the University of Liverpool (Art of Management & Organisation conference)
- **TRS Summer Auction Fundraiser** - TRS event
- **Adornments of Fancy** - Luke George
- **'OBSESSIONS'** - Liverpool Community College Photography Department
- **The door is on the latch** - Lucy Archer, Elizabeth Challinor, Max Mallender
- **'Les fenêtres'** - Ryan Murphy
- **Zesty** - TRS studio members exhibition
- **A Preview of Marilyn** - Marilyn Baby

TRS GALLERY ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

- **Charlie's Arty Party** - LJMU Artist in Residence
- **Ali Hunter** - Solo Show
- **Our Super Sweet Sixteenth Birthday Party !!** - TRS event
- **Colourful Stories: A Queer Retelling of Liverpool's History**
- **'If You're Not Busy Living, You're Busy Dying'** - George Welsh
- **Certain Progress** - UAL AP Extended Diploma Art & Design
- **Liverpool Women Speak** - Liverpool Sisterhood
- **Super Last Minute Studio Show** - TRS studio exhibition
- **Be Free Campaign** - Wez Morris, Jed Timms, Lois Tierney and Peter Scott
- **Phlegm** - Aislinn O'Reilly, Annie Dobson, Aoife McCollum, Bobbie Hook and others
- **TRS Winter Auction Fundraiser** - TRS event
- **Is This It?** - John Elcock, Robert Flynn and Margaret O'Brien
- **A Day at the Beach** - Daniel O'Dempsey
- **Trauma Then, Trauma Now** - Youcef Hadjazi
- **VaRt** - 4Wings with SAE
- **BlackFest Festival 2021**, Visual Arts Launch

FUTURE PLANS

The Royal Standard's organisational development has been hindered by the interruptions caused by Covid-19 and the year has been spent trying to re-establish a good operational regime. Good progress has been made on this and we are now looking to initiate a review of our mid to longer-term development.

We are resuming strategic planning work that was initiated in 2019 but put on pause during the pandemic and our mission and goals as an organisation remain the same. We are consistently looking for ways to improve TRS's services to benefit its artists, volunteers, and the wider community of emerging practitioners. The tangible steps and goals outlined in our Business Plan and Forecast, produced by Andrea Nixon and Jim Buso, are still attainable but are in need of a review and refresh to ensure they remain relevant and achievable post-pandemic. To this end, an away day with Trustees and reps for the Artist Lead team was held to help identify our priorities and our capacity to deliver change. This in turn will be used as the starting point for a refreshed business plan to help guide and monitor our medium and longer-term goals.

Our main focus and priority will be on continuing to support artists through access to opportunities, support with funding, and increased opportunities to input and participate in the shaping of our programme.

However, we have a couple of major medium-term priorities that will form the focus of our change management programme. These are the appointment of a temporary paid position and a review of options for a new 'home' following the termination of our lease at Northern Lights in 2026.

We aim to establish a paid position to support our team of volunteers and take on some of the tasks that can challenge the capacity of the team. This will predominantly include financial and operational tasks, freeing up more time for the Artist Leads to focus on programme, studio support, and marketing. With an increased focus on these areas, it is intended that the voluntary roles will be both more attractive to potential new candidates and more beneficial in supporting their career aims and providing time to work on creative projects.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

TRUSTEES' REPORT

Discussions will also be launched to consider a strategy to facilitate a move from Northern Lights in the next three years. This will start with a broad review of location/facility/cost priorities to set a brief of what a successful new home looks like. A full task and action plan will then be developed to set milestone targets that will be monitored on our journey to a new venue.

We will also continue to work alongside LJMU in the facilitation of the Poly Residency Scheme, helping to support emerging young artists within the city region.

We are also keen to consult with the community in terms of what they would like from us as an organisation when planning our future programme for 2023. We plan to hold a series of consultancy sessions in our gallery space, inviting artists, peers, community members and organisations to discuss the role we play in the community. We will invite views on what the community would like to see and how our programme can better reflect them and their interests.

We are also looking to re-establish and build our profile and connections with wider arts-led partner organisations in the city and beyond through artist exchange programmes (Generator), studio residency opportunities (LJMU), exhibition/gallery projects (Bluecoat) and studio crits (Bridewell, Convenience). Also, the studio is working on building partnerships with professional businesses such as framing and art supplies services.

Another immediate activity will be for the current Artist Leads to initiate and develop a newsletter to promote the activity of studio members and provide a platform for discussion and debate across the studio community. We are also hoping to significantly develop the fundraising potential of the bi-annual art auctions by building relationships with corporate clients, extending its outreach to professional (non-art) audiences, and nurturing a buyers list that builds cumulatively with each successive event.

Finally, we will run a call for new Trustees to bring new skills and enthusiasm required for the organisation's mid to longer-term goals. In particular, we will look to recruit Trustees who can bring specific legal and accountancy/financial planning experience to the team. We hope to conclude this by mid-2023.

GOING CONCERN

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held and the expected level of income and expenditure for the twelve months from authorising these financial statements. The trustees assess the charity to be a going concern based on review of financial performance of the current year to date, the management accounts forecast for the remainder of the financial year, and longer-term plans and forecasts for 2023/24 and beyond. As a result, the trustees are satisfied that these accounts can be prepared on a going concern basis.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

TRUSTEES' REPORT

ORGANISATIONAL DEVELOPMENT

We remain focussed on how our activity can support emerging artists from our Artist Leads to our studio artists and a wider community of local artists and participants. We have grown our programme following the restrictions imposed by the earlier pandemic, but with more dedicated time and space given to our studio members - using our external resources to support our internal community. Internally, our main focus is still to gain financial support in the form of an Operations and Financial Manager to remove the burden on our Artist Leads which hinders the opportunity to develop creative ideas, support our studio artists, and work on networking with the local community. While we have partial funding secured to support this role, further funding, consultation, and support are needed to achieve this work which will be undertaken by trustees, consultants, and critical friends. We will also look to broaden the skill set of Trustees with a recruitment call out early in 2023.

RISK MANAGEMENT

The main risks to which the charitable company is exposed as identified by the Trustees have been considered and systems have been established to mitigate those risks.

FINANCIAL REVIEW

Incoming resources for the year totalled £61,448 (2021: £51,442) of which £2,429 (2021: £2,960) related to funding for projects upon which restrictions are placed. Total expenditure in the year was £57,193 (2021: £56,804), leaving a surplus for the year of £6,738 (2021: deficit £5,362). At 31 August 2021, the charitable company's reserves were £19,502 (2021: £25,041) of which £9,847 (2021: £12,276) represented restricted funds.

RESERVES POLICY

The purpose of the Reserves Policy for is to ensure the financial stability of the organisation and that it maintains a viable operating position to deliver on its charitable objectives. Based on the current operating expenditure the Target Operating Reserve is set at £12,500 which is equivalent to three months of operating cash expenses.

Definitions, Targets and Reporting:

The Operating Reserve is intended to provide an internal source of unrestricted funds for unforeseen situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding/rental income, or uninsured losses. The Reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure. Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap.

The target minimum Operating Reserve Fund is equal to three months of average operating cash expenses. The calculation of average monthly expenses excludes any costs associated with the delivery of arts related activities which are to be funded from Restricted funds and do not therefore form part of the Operating Reserve Calculation.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

TRUSTEES' REPORT

The amount of the Operating Reserve Fund target minimum will be calculated each year after approval of the annual budget, and reported by the Finance Sub-Committee to the Full Trustee meeting for formal approval. The Operating Reserve is a live target that will be monitored as part of the Full Trustee meeting cycle.

Funding of Reserves:

The Operating Reserve Fund should be funded with surplus unrestricted operating funds. The Trustees may from time to time direct that a specific source of revenue be set aside for Operating Reserves. Examples may include eligible grant funding with unrestricted access to the funds; donations; and sponsorship related to artistic activity.

Use of Reserves:

Use of the Operating Reserves requires three steps:

1. Identification of appropriate use of reserve funds - The Trustees and Directors will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. This step requires analysis of the reason for the shortfall, the availability of any other sources of funds before using reserves, and evaluation of the time period that the funds will be required and replenished.

2. Authority to use operating reserves - A request to use Operating Reserves will be submitted to Trustees for approval as part of a Full Trustee meeting agenda item. The request should include the analysis and determination of the use of funds and plans for replenishment.

The organisation's goal is to replenish the funds used within twelve months to restore the Operating Reserve Fund to the target minimum amount. If the use of Operating Reserves will take longer than 12 months to replenish, the request will be scrutinized more carefully. The Trustees will approve or modify the request and authorise transfer from the fund. This will be recorded as a minute within the Full Trustee meeting report

3. Reporting and monitoring - A nominated Director is responsible for ensuring that the Operating Reserve Fund is maintained and used only as described in this Policy. Upon approval for the use of Operating Reserve funds, the Director will maintain records of the use of funds and plan for replenishment. He/she will provide regular reports to the Finance Committee and trustees of progress to restore the Fund to the target minimum amount. The use and current status/level of Operating Reserves will be an Agenda item at the Full Trustee meeting

Actual Operating Reserve:

As of 30 August 2022 the total unrestricted funds available to be ring-fenced for Operating Reserves could be met. This is in part due to careful management of rental/gallery income and Covid related support over the past 2-years. A model for financial reporting has been introduced to ensure clear and transparent levels of unrestricted funds to be held as an Operating Reserve

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

TRUSTEES' REPORT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law 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 as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently
- observe the methods and principle in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue as a going concern
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

APPROVAL

This report has been prepared in accordance with the Charities Act 2011, Companies Act 2006, Accounting and Reporting by Charities; Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015).

This report was approved by the Board of Trustees on 9th May 2023 and signed on their behalf:

Trustee

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

INDEPENDENT EXAMINER'S STATEMENT

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the trustees on our examination of the accounts for the year ended 30 August 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

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

Matthew Brown, CPFA
Adding Value Consultancy Ltd
Accountants and Financial Management Consultants
Date: 9th May 2023

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
Income and endowments from:					
Donations and legacies	2	30	0	30	3,662
Other Trading activities	3	61,418	0	61,418	47,780
Total Income and endowments		<u>61,448</u>	<u>0</u>	<u>61,448</u>	<u>51,442</u>
Expenditure:					
Expenditure on charitable activities	4	56,452	0	56,452	56,097
Fundraising	5	687	0	687	707
Total Expenses		<u>57,139</u>	<u>0</u>	<u>57,139</u>	<u>56,804</u>
Net Income / (Expenditure)		4,309	0	4,309	(5,362)
Transfers between funds		2,429	(2,429)	0	0
Net Income / (Expenditure) for the year		6,738	(2,429)	4,309	(5,362)
Total Funds brought forward		<u>12,766</u>	<u>12,276</u>	<u>25,042</u>	<u>30,403</u>
Net funds carried forward		<u>19,504</u>	<u>9,847</u>	<u>29,351</u>	<u>25,042</u>

The Statement of Financial Activities includes all gains and losses recognised during the year. All income and expenditure relate to continuing operations.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

BALANCE SHEET AS AT 31 AUGUST 2022

Company Number: 06988365

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible Fixed Assets	7	0	0
CURRENT ASSETS			
Debtors (amounts falling due within one year)	8	4,343	5,018
Cash at bank and in hand		29,011	22,613
		<u>33,353</u>	<u>27,631</u>
CREDITORS: Amounts falling due within one year	9	<u>(4,002)</u>	<u>(2,589)</u>
NET CURRENT LIABILITIES		29,351	25,042
TOTAL ASSETS LESS LIABILITIES		<u>29,351</u>	<u>25,042</u>
RESERVES			
Unrestricted funds - General Fund	11	19,504	12,766
Restricted Funds	12	9,847	12,276
		<u>29,351</u>	<u>25,042</u>

For the year ending 31 August 2021 the company was entitled to exemption under section 477 of the Companies Act relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the board of trustees on 9th May 2023 and signed on their behalf:

Trustee

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

1a. Basis of Accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) 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 and Republic of Ireland (FRS102) (SORP 2015) (effective 1st January 2015), Charities Act 2011 and the Companies Act 2006.

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

1b. Fund accounting

Unrestricted funds are the charitable company's free reserves available for the Trustees to apply in accordance with the charitable company's charitable objectives.

Restricted funds are subject to specific restrictive conditions imposed by the donor. All restricted funds are accounted for as restricted income and expenditure for the purposes is charged to the fund.

1c. Income recognition

All income is recognised once the charitable company has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies comprise of donations and general grants which are recognised in the accounts when received, with the exception of known legacies which are accounted for when their receipt is certain.

Other trading income relates to all fundraising events and is recognised when the amounts are certain.

1d. Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (continued)

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Expenditure on charitable activities relate to the operation of the charitable company comprising of direct charitable expenditure to meet the objectives of the charitable company. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the charitable company.

1e. Tangible fixed assets

Tangible fixed assets are stated in the balance sheet as cost or revaluation less accumulated depreciation. Capital expenditure of £100 and above is treated as a fixed asset. Depreciation is provided to write off the cost of each asset over its expected useful life as below:

Improvements to property	25% per annum straight line basis
Plant and machinery	25% per annum straight line basis

1f. 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.

1g. Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1h. Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (continued)

1j. Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

1k. Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1l. Taxation

Income and gains are exempt from taxation as they are received and applied for charitable purposes only. The charitable company benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

1m. Critical accounting estimates and judgements

In the application of the charitable company'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 on-going 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.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

NOTES TO THE ACCOUNTS

2. INCOME AND ENDOWMENTS FROM DONATIONS AND LEGACIES

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	<i>Total Funds 2021 £</i>
Donations and sponsorship	30	-	30	702
Grants Receivable	-	0	0	2,960
	<u>30</u>	<u>-</u>	<u>30</u>	<u>3,662</u>

3. INCOME AND ENDOWMENTS FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	<i>Total Funds 2021 £</i>
Fundraising	7,708	-	7,708	2,447
Event Hire	1,868	-	1,868	0
Rents Receivable	51,843	-	51,843	45,333
	<u>61,418</u>	<u>-</u>	<u>61,418</u>	<u>47,780</u>

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Charitable Expenditure 2022 £	Support Finance & Governance 2022 £	Total 2022 £	<i>Total 2021 £</i>
Operation of an artists' gallery and exhibitions	23,731	32,721	56,452	56,097
	<u>23,731</u>	<u>32,721</u>	<u>56,452</u>	<u>56,097</u>

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

NOTES TO THE ACCOUNTS

4. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

Direct Charitable Expenditure	2022	2021
	£	£
Fees and other costs	-	-
Insurance	542	562
Operating Leases	16,299	17,315
Project Costs	2,162	1,050
Rates and water	911	-
Website & advertising	400	1,147
Subscriptions & office costs	3,417	2,196
Depreciation	-	-
	<u>23,731</u>	<u>22,270</u>
 Support Finance & Governance	 2022	 2021
	£	£
Accountancy, professional and legal fees	3,085	3,947
Bank charges	528	357
Write off of rental income arrears	2,480	2,707
Insurance	813	843
Operating leases	24,448	25,972
Rates and water	1,367	0
	<u>32,721</u>	<u>33,826</u>
 Total expenditure on Charitable Activities	 <u>56,452</u>	 <u>56,097</u>

In the year £2,429 (2021: £2,960) of the above expenditure relates to restricted funding.

All costs, unless easily identifiable, have been apportioned between Charitable Activities and Support Costs at 40% and 60% respectively. This ratio is considered by the Trustees to fairly reflect the split of expenditure undertaken within the charity.

5. EXPENDITURE ON FUNDRAISING ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2022	2022	2022	2021
	£	£	£	£
Events	687	-	687	707
	<u>687</u>	<u>-</u>	<u>687</u>	<u>707</u>

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

NOTES TO THE ACCOUNTS

6. TRUSTEES REMUNERATION AND BENEFITS

S Mohamad Noor received £202.18 for proceeds relating to the sale of their art work.
A Kelly was re-imbursed £44.89 for business expenses, no other expenses were re-imbursed for trustees (2021: nil).

7. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Total £
Cost			
At 31 August 2021	8,619	2,406	11,025
At 31 August 2022	8,619	2,406	11,025
Depreciation			
At 31 August 2021	8,619	2,406	11,025
At 31 August 2022	8,619	2,406	11,025
Net Book Value			
At 31 August 2022	-	-	-
At 31 August 2021	-	-	-

8. DEBTORS

Amounts falling due within one year:	2022 £	2021 £
Rental Debtors	4,343	3,310
Other Debtors	0	1,689
Prepayments	0	19
	4,343	5,018

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

NOTES TO THE ACCOUNTS

9. CREDITORS: amounts falling due within one year

Amounts falling due within one year:	2022	2021
	£	£
Accruals	3,512	2,455
Deferred Income	0	96
Trade Creditors	492	39
	<u>4,004</u>	<u>2,590</u>

11. UNRESTRICTED FUNDS

	Brought Forward £	Incoming Resources £	Outgoing Resources £	Transfer from restricted reserve £	Carried Forward £
General Fund	12,766	61,448	57,139	2,429	19,504
	<u>12,766</u>	<u>61,448</u>	<u>57,139</u>	<u>2,429</u>	<u>19,504</u>

12. RESTRICTED FUNDS

	Brought Forward £	Incoming Resources £	Outgoing Resources £	Transfer to unrestricted reserve	Carried Forward £
Frolich Estate	9,847	0	0		9,847
Community Foundation for Merseyside	2,429	0	0	(2,429)	0
	<u>12,276</u>	<u>0</u>	<u>0</u>	<u>(2,429)</u>	<u>9,847</u>

These are the monies given to the charitable company to be spent for specific purposes:

- **Estate of the Late Mrs AF Frohlich** - Bequest granted to contribute towards hiring a permanent Studio Manager & supporting residency scheme for HEI graduates.
- **Community foundation for Merseyside** funding will be used to fund artistic and creative exhibitions specifically aimed at people who are aged 65 and over.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

NOTES TO THE ACCOUNTS

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Unrestricted Funds £	Restructured Funds £	Total Funds £
Tangible Fixed Assets	0	0	0
Net Current Assets/(Liabilities)	19,502	9,847	29,349
	<u>19,502</u>	<u>9,847</u>	<u>29,349</u>

14. RELATED PARTY TRANSACTIONS

Trustees L Payot, S Mohamad Noor and M O'Brien are also studio holders.

There were no other material related party transactions during the year which require disclosure (2021: none).

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

This page does not form part of the statutory financial statements

Incoming Resources for the year ending 31 August 2022	2022	2021
	£	£
Donations and legacies		
Donations and Sponsorship	30	702
Grants	0	2,960
	<u>30</u>	<u>3,662</u>
 Other Trading Activities		
Donations and Sponsorship	7,708	2,447
Event Hire	1,868	0
Rents Receivable	53,710	45,333
	<u>61,418</u>	<u>47,780</u>
 Total Incoming Resources	<u>61,448</u>	<u>51,442</u>
 Expenditure for the year ending 31 August 2022	2022	2021
	£	£
Fundraising		
Events	687	707
 Charitable Activities		
Fees and other costs	0	0
Insurance	542	562
Operating Leases	16,299	17,315
Project Costs	2,162	1,050
Rates and Water	911	0
Website and Advertising	400	1,147
Subscription and office costs	3,417	2,196
Depreciation	0	0
	<u>23,731</u>	<u>22,270</u>
 Support Costs		
Insurance	813	843
Operating Leases	24,448	25,972
Rates and Water	1,367	0
Training	0	0
	<u>26,628</u>	<u>26,815</u>
 Finance Costs		
Bank Charges	528	357
Write off and provision of rental income arrears	2,480	2,707
 Governance Costs		
Governance costs - accountancy	3,085	3,947
 Total Resources Expended	<u>57,139</u>	<u>56,803</u>
 Net Income/(Expenditure)	<u>4,309</u>	<u>-5,361</u>

TRS GALLERY

England & Wales - Charity number 1152968

Accounts

TRS GALLERY

INDEPENDENTLY EXAMINED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

Company Number: 06988365

Charity Number: 1152968

The Royal Standard
Northern Lights
5 Mann Street
Liverpool
L8 5AF

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES

M Hooper
R Stockill
J Buso (appointed 21st February 2022)
A Kelly (Chair) (appointed 21st February 2022)
S Mercer (appointed 21st February 2022)
S Mohamad Noor (appointed 21st February 2022)
M O'Brien (appointed 21st February 2022)
J Schofield (appointed 21st February 2022)
M Ball (resigned 1st January 2022)
M Brewster (resigned 29th October 2021)
D Evans (resigned 01/01/2022)
Y Karcheva (resigned 29th October 2021)
L Payot (resigned 1st January 2022)

REGISTERED OFFICE

5 Mann Street,
Liverpool, L8 5AF

COMPANY NUMBER

06988365

CHARITY NUMBER

1152968

BANKERS

HSBC

INDEPENDENT EXAMINER

Matthew Brown, CPFA
Adding Value Consultancy Ltd
Bluecoat Chambers
School Lane Liverpool L1 3BX

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021**

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**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES' REPORT

The trustees present their report and accounts for the year ended 31 August 2021 for the TRS Gallery, which is also known as The Royal Standard.

PRINCIPAL ACTIVITIES

The charitable company develops, promotes and advances the arts, including visual arts, craft and design, video, sound and digital arts and performance art.

CHARTIABLE OBJECTIVES

The charitable company aims to:

- Provide affordable studio spaces and supportive community to emerging artists
- Showcase exciting, innovative exhibitions and events
- Work with the most outstanding recent graduates and emerging artists as well as more established practitioners and other artist-led initiatives
- Develop a dynamic and challenging gallery programme
- Build national audiences; and
- Develop existing local and national relationships.

The charitable company aims to support and develop:

- New audiences: locally, nationally and internationally
- Opportunities for participation in arts activities; and
- Curatorial knowledge and resources.

SUMMARY OF ACTIVITIES UNDERTAKEN TO FURTHER THE OBJECTS

The charitable company will pursue these aims by the following principles:

- Provide equality of opportunity, in both its work in the arts and the development of the organisation
- Implement financial planning and increase paid capacity in the team to better support finances, governance, and studio management operations
- Consult with community to better inform programme and serve the needs of the community
- Developing existing partnerships with organisations; and
- Creating and sustaining a mixed funding base

PUBLIC BENEFIT STATEMENT

In considering the objectives and activities, the Trustees have considered Charity Commission guidance on public benefit to ensure that the organisation is meeting its public benefit requirements.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES' REPORT

ORGANISATION AND LEGAL STATUS

The charity is a company limited by guarantee and registered as a Charity. The charitable company is controlled by its governing document, memorandum of articles incorporated on 12th August 2009 as amended by special resolution(s) dated 8th March 2013 as registered at Companies House on 5th April 2013.

The organisation is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is £1.

TRUSTEES AND THEIR APPOINTMENT AND TRAINING

The charitable company is governed by a Board of Trustees, who are also its Directors. Members of the Board of Trustees during the year are listed above.

Trustees are recruited based on a regular review if skills considered necessary and ongoing discussion between the existing Board of Trustees. Numbers are limited and the charitable company has a policy of a rolling Trusteeship/Directorship to keep the charitable company focused and forward thinking. The current Board has a range of skills including business management, sales, fundraising, arts education, art practice, curatorial practice, digital, and arts administration. This year we took on five new trustees to further diversify these skills, specifically with an aim of getting more artistic representation on the Board which has been achieved through the appointment of two current studio members, one of whom is a former Artist Lead.

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR

The charitable company delivered several programmes and events in the year attracting new and existing audiences to the gallery and studios. Due to covid-19 and lockdown, the organisation's focus was supporting its immediate community of artists through the period and delivering online activity. However, we were able to re-open to the public in May 2021 as part of Culture Liverpool's LightNight.

Significant progress has been made with the former M&S space in Bootle provided to us in 2020 by Axis Web. While there were significant operational hurdles to overcome, predominantly to do with the health & safety within the space, as well as insurance updates, and business modelling, the space is now open to TRS studio members. It is currently functioning as a cooperatively run space whereby any artist using the space is also responsible for the day to day running of the space. This is currently being formalised and once this is in place, it is hoped that we will be able to open the space to non-TRS members through an associates scheme. This will be discussed further under future plans.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES' REPORT

After securing ACE Emergency Funding to provide reduced rent to studio artists during 2020, we gradually increased back to full rent at the start of 2021. While this resulted in some instability in terms of studio capacity during the first half of 2021, since then we have been at a stable full capacity, and a place of secure financial stability. Three successful fundraisers were held, two of which took on a traditional auction format, highlighting the work of studio members and local artists, and generating funds for TRS. The third was a celebration of TRS's sixteenth birthday and took the form of a ticketed performance event. Since reopening in May, we have been able to get back to in person programming, collaborating with numerous local groups and showcasing the work of studio members. During May 2021 - April 2022, we have held 15 exhibitions and performance events, along with three successful fundraiser events in the gallery. Some programme highlights include:

LightNight Play: Exquisite Corpse - May 2021

As part of Culture Liverpool, exploring LightNight's theme of 'Play' TRS studio members formed groups and re-interpreted the game 'Exquisite Corpse', creating collective works and not revealing their shared creations to each other until the show.

BlackFest Festival 2021: Visual Arts Launch - September - October 2021

As part of BlackFest 2021, TRS hosted the visual arts strand, comprising a month long residency and subsequent exhibition with artist Gold Akanbi. Gold Akanbi is a British-Nigerian, neurodiverse multidisciplinary artist. Her numerous disciplines act as interdependent ecologies that are used to create whole worlds.

Youcef Hadjazi: Trauma Then, Trauma Now - October 2021

Youcef Hadjazi's project Trauma Then, Trauma Now explores collective and transgenerational trauma in post-colonial nations by focusing on the Algerian Civil War, often known as 'The Black Decade'.

Phelgm - January 2022

Since May 2021, Phelgm has been running as an alternative space for creative self-education. Participants responded to bi-weekly prompts, took part in workshops, and shared and received peer feedback during informal Zoom crits. During this one night exhibition, TRS showcased the final works produced by the participants of this alternative educational space.

Summer & Winter Auctions - August & December 2021

Both of the traditional summer and winter auctions were particularly successful, generating significant funds for TRS and showcasing the work of studio members as well as local artists.

LJMU Residency Scheme

As part of our long-standing relationship with Liverpool School of Art and Design, we provide new graduates with a residency space at our studios for a 4 month period. In that time, they have access to our facilities, and we work with them to help support their development through events. For the 2021/2022 academic year, we supported three recent graduates: Gold Akanbi, Charlie Donnelly-Dobson, and Jessica Povall.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES' REPORT

FUTURE PLANS

The Royal Standard's organisational development has been hindered due to the Pandemic; like many organisations, we are a year behind and slowly moving our attention externally again after 18 months of internal focus; focusing on the immediate community of artists we are working with. While we have been able to reinstate programming and open the gallery to the public again, our long term organisational development has been put on hold.

Strategic planning work initiated in 2019 that was put on pause during the pandemic is starting to be picked back up, and our mission and goals as an organisation remain the same. We are consistently looking for ways to improve TRS's services to benefit its artists, volunteers, and wider community of emerging practitioners. The tangible steps and goals outlined in our Business Plan and forecast, produced by Andrea Nixon and Jim Buso in 2019, are still attainable but have been delayed due to the pandemic. With the addition of five new Trustees, it is felt that TRS is now in a position to put together a new Business Plan taking into account the significant changes that have occurred since the initial work in 2019.

Our main focus and priority will be on continuing to support artists through pandemic recovery, through access to opportunities, support with funding, and increased opportunities to have a say and participate in the shaping of our programme. The programme committee started last year to give studio artists a say in what they think should be shown in the gallery and what would support their artistic development as a group has continued to grow, with many new studio members getting involved, most of whom are new graduates and emerging professionals.

We are aiming to take on a paid position to support our team of volunteers and take on some of the tasks that the current team struggle with capacity for. This will predominantly include financial and operational tasks, freeing up more time for the Artist Leads to focus on programme, studio support, and marketing. With more of a focus on these areas, it is hoped that the voluntary roles will be both more attractive to new candidates who are taken on on a rolling two year basis, and will be more beneficial to supporting their career aims, providing more time to work on creative projects.

Access to a former M&S retail space in Bootle granted by Axis-Web offers a unique space for our studio artists and the wider artistic community to come to produce work at scale and have access to affordable space which is near impossible within the city. The open plan space offers the chance for artists to work collaboratively and bounce round new ideas and thinking, rather than working in silos. Currently the space is being used by a selection of TRS artists and is offered to any new members who join. It is predominantly being used for larger scale physical works as well as performances, and is fast becoming a hub of experimentation and collaboration. Going forward, an associates scheme will be set up whereby artists and creatives who don't hold a studio at TRS can pay a small monthly fee to gain access to the Bootle space, as well as the facilities at our city centre site including the workshop, social space, and gallery.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES' REPORT

FUTURE PLANS (continued)

We will also continue to work alongside LJMU in the facilitation of the Poly Residency Scheme, helping to support emerging young artists within the city region. This year, we will continue this relationship and explore ways we can work with MA students, and tap into networks further afield in Bootle. We are exploring the potential of developing relationships with Hugh Baird University and College, providing their students with access to space, and the energy and expertise of more experienced artists.

We are also keen to consult with the community in terms of what they would like from us as an organisation when planning our future programme for 2022. We plan to hold a series of consultancy sessions in our gallery space, inviting artists, peers, community members and organisations in to discuss the role we play in the community, collect views on what they would like to see and how our programme can better reflect them and their interests.

GOING CONCERN

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held and the expected level of income and expenditure for the twelve months from authorising these financial statements. The trustees assess the charity to be a going concern based on review of financial performance of the current year to date, the management accounts forecast for the remainder of the financial year, and longer-term plans and forecasts for 2022/23 and beyond. As a result, the trustees are satisfied that these accounts can be prepared on a going concern basis.

ORGANISATIONAL DEVELOPMENT

Although hindered by the pandemic, we are still working towards building a more sustainable and resilient future as an organisation. We are focusing primarily on how our activity can support emerging artists from our Artist Leads to our studio artists and wider community of local artists and participants. We have started to grow our programme again, but with more dedicated time and space given to our studio members - using our external resources to support our internal community. Internally, our main focus is still to gain financial support in the form of an Operations and Financial Manager to remove the burden on our Artist Leads which hinders the opportunity to develop creative ideas, support our studio artists, and work on networking with the local community. While we have partial funding secured to support this role, further funding, consultation and support are needed to achieve this – work which will be undertaken by trustees, consultants, and critical friends.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES' REPORT

RISK MANAGEMENT

The main risks to which the charitable company is exposed as identified by the Trustees have been considered and systems have been established to mitigate those risks.

FINANCIAL REVIEW

Incoming resources for the year totalled £51,442 (2020: £105,574) of which £2,960 (2020: £51,447) related to funding for projects upon which restrictions are placed. Total expenditure in the year was £56,804 (2020: £68,925), leaving a deficit for the year of £5,361 (2020: surplus £36,649). At 31 August 2021, the charitable company's reserves were £25,042 (2020: £30,403) of which £12,276 (2020: £12,276) represented restricted funds.

RESERVES POLICY

The purpose of the Reserves Policy for is to ensure the financial stability of the organisation and that it maintains a viable operating position to deliver on its charitable objectives. Based on the current operating expenditure the Target Operating Reserve is set at £12,500 which is equivalent to three months of operating cash expenses.

Definitions, Targets and Reporting:

The Operating Reserve is intended to provide an internal source of unrestricted funds for unforeseen situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding/rental income, or uninsured losses. The Reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure. Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap.

The target minimum Operating Reserve Fund is equal to three months of average operating cash expenses. The calculation of average monthly expenses excludes any costs associated with the delivery of arts related activities which are to be funded from Restricted funds and do not therefore form part of the Operating Reserve Calculation.

The amount of the Operating Reserve Fund target minimum will be calculated each year after approval of the annual budget, and reported by the Finance Sub-Committee to the Full Trustee meeting for formal approval. The Operating Reserve is a live target that will be monitored as part of the Full Trustee meeting cycle.

Funding of Reserves:

The Operating Reserve Fund should be funded with surplus unrestricted operating funds. The Trustees may from time to time direct that a specific source of revenue be set aside for Operating Reserves. Examples may include eligible grant funding with unrestricted access to the funds; donations; and sponsorship related to artistic activity.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES' REPORT

RESERVES POLICY (continued)

Use of Reserves:

Use of the Operating Reserves requires three steps:

1. Identification of appropriate use of reserve funds - The Trustees and Directors will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. This step requires analysis of the reason for the shortfall, the availability of any other sources of funds before using reserves, and evaluation of the time period that the funds will be required and replenished.

2. Authority to use operating reserves - A request to use Operating Reserves will be submitted to Trustees for approval as part of a Full Trustee meeting agenda item. The request should include the analysis and determination of the use of funds and plans for replenishment.

The organisation's goal is to replenish the funds used within twelve months to restore the Operating Reserve Fund to the target minimum amount. If the use of Operating Reserves will take longer than 12 months to replenish, the request will be scrutinized more carefully. The Trustees will approve or modify the request and authorise transfer from the fund. This will be recorded as a minute within the Full Trustee meeting report

3. Reporting and monitoring - A nominated Director is responsible for ensuring that the Operating Reserve Fund is maintained and used only as described in this Policy. Upon approval for the use of Operating Reserve funds, the Director will maintain records of the use of funds and plan for replenishment. He/she will provide regular reports to the Finance Committee and trustees of progress to restore the Fund to the target minimum amount. The use and current status/level of Operating Reserves will be an Agenda item at the Full Trustee meeting

Actual Operating Reserve:

As of 30 August 2018 the total unrestricted funds available to be ring-fenced for Operating Reserves fell short of the three-month target. The key issue affecting the reserves of the charitable company relate to the relocation of the charitable company in 2017, leading to costs being greater than anticipated. A financial strategy was put in place in 2018 to bring current reserves closer to the target figure.

A number of actions have now been implemented. These include:

- Increasing the rent from studio members by 10%
- Recruiting new trustees and advisors with specific financial and governance skills
- Strengthen existing institutional studio tenants and source new partnerships with scope for a premium rental income
- Increase the submission of grant applications including a significant application to the Arts Council which will include a core cost element to support unrestricted expenditure costs; and,
- Appointment of full-time support from the John Lewis secondment programme.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES' REPORT

RESERVES POLICY (continued)

A Finance Sub-Committee has been established to review and monitor the actions above and to report into a strengthened Trustee committee. Despite the challenges presented, the Trustees are confident the actions presented will support the improvement of the current reserve to meet more closely with the Target Operating Reserve over time.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law 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 as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently
- observe the methods and principle in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue as a going concern
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

APPROVAL

This report has been prepared in accordance with the Charities Act 2011, Companies Act 2006, Accounting and Reporting by Charities; Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015).

This report was approved by the Board of Trustees on 17th May 2022 and signed on their behalf:

Alex Christey-Kelly

Trustee

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021**

INDEPENDENT EXAMINER'S STATEMENT

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the trustees on our examination of the accounts for the year ended 30 August 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

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



Matthew Brown, CPFA
Adding Value Consultancy Ltd
Accountants and Financial Management Consultants
Date: 17th May 2022

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted funds	Restricted funds	2021 Total	2020 Total
Income and endowments from:					
Donations and legacies	2	702	2,960	3,662	65,087
Other Trading activities	3	47,780	-	47,780	40,487
Total Income and endowments		48,482	2,960	51,442	105,574
Expenditure:					
Expenditure on charitable activities	4	53,137	2,960	56,097	68,104
Fundraising	5	707	-	707	821
Total Expenses		53,844	2,960	56,804	68,925
Net Income/(Expenditure)		(5,361)	0	(5,361)	36,649
Net income/(expenditure) for the year		(5,361)	0	(5,361)	36,649
Total funds brought forward		18,127	12,276	30,403	(6,246)
Net funds carried forward		12,766	12,276	25,042	30,403

The Statement of Financial Activities includes all gains and losses recognised during the year. All income and expenditure relate to continuing operations.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

BALANCE SHEET AS AT 31 AUGUST 2021

	Notes	2021		2020	
		£	£	£	£
FIXED ASSETS					
Tangible Fixed Assets	7		-		-
CURRENT ASSETS					
Debtors (amounts falling due within one year)	8	5,018		1,689	
Cash at bank and in hand		<u>22,613</u>		<u>40,074</u>	
		27,632		41,763	
CREDITORS: Amounts falling due within one year	9	<u>(2,589)</u>		<u>(11,360)</u>	
NET CURRENT LIABILITIES			25,042		30,403
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>25,042</u>		<u>30,403</u>
RESERVES					
Unrestricted funds	11		12,766		18,127
Restricted funds	12		<u>12,276</u>		<u>12,276</u>
			<u>25,042</u>		<u>30,403</u>

For the year ending 31 August 2021 the company was entitled to exemption under section 477 of the Companies Act relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the board of trustees on 17th May 2022 and signed on their behalf:

Alex Christey-Kelly

Trustee

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

1a. Basis of Accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) 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 and Republic of Ireland (FRS102) (SORP 2015) (effective 1st January 2015), Charities Act 2011 and the Companies Act 2006.

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

1b. Fund accounting

Unrestricted funds are the charitable company's free reserves available for the Trustees to apply in accordance with the charitable company's charitable objectives.

Restricted funds are subject to specific restrictive conditions imposed by the donor. All restricted funds are accounted for as restricted income and expenditure for the purposes is charged to the fund.

1c. Income recognition

All income is recognised once the charitable company has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies comprise of donations and general grants which are recognised in the accounts when received, with the exception of known legacies which are accounted for when their receipt is certain.

Other trading income relates to all fundraising events and is recognised when the amounts are certain.

1d. Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (continued)

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Expenditure on charitable activities relate to the operation of the charitable company comprising of direct charitable expenditure to meet the objectives of the charitable company. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the charitable company.

1e. Tangible fixed assets

Tangible fixed assets are stated in the balance sheet as cost or revaluation less accumulated depreciation. Capital expenditure of £100 and above is treated as a fixed asset. Depreciation is provided to write off the cost of each asset over its expected useful life as below:

Improvements to property	25% per annum straight line basis
Plant and machinery	25% per annum straight line basis

1f. 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.

1g. Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1h. Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021**

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (continued)

1j. Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

1k. Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1l. Taxation

Income and gains are exempt from taxation as they are received and applied for charitable purposes only. The charitable company benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

1m. Critical accounting estimates and judgements

In the application of the charitable company'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 on-going 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.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

NOTES TO THE ACCOUNTS

2. INCOME AND ENDOWMENTS FROM DONATIONS AND LEGACIES

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Donations and sponsorship	702	-	702	3,640
Grants Receivable	-	2,960	2,960	61,447
	702	2,960	3,662	65,087

	2021 £	2020 £
Analysis of grants receivable:		
Arts Council England	-	14,960
Frolich	-	9,847
Arts Council England - Emergency Grant	2,960	26,640
Liverpool City Council	-	10,000
	2,960	61,447

3. INCOME AND ENDOWMENTS FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Fundraising	2,447	-	2,447	4,598
Rents Receivable	45,333	-	45,333	35,889
	47,780	-	47,780	40,487

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Charitable Expenditure 2021 £	Support Finance & Governanc 2021 £	Total 2021 £	Total 2020 £
Operation of an artists' gallery and exhibitions	22,270	33,826	56,097	68,104
	22,270	33,826	56,097	68,104

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

NOTES TO THE ACCOUNTS

4. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

	2021	2020
	£	£
Direct Charitable Expenditure		
Fees and other costs	-	-
Insurance	562	554
Operating Leases	17,315	18,762
Project Costs	1,050	13,474
Rates and water	-	341
Website & advertising	1,147	178
Subscriptions & office costs	2,196	378
Depreciation	-	2,154
Release of capital grant	-	(2,155)
	<u>22,270</u>	<u>33,686</u>

	2021	2020
	£	£
Support Finance & Governance		
Accountancy and legal fees	3,947	3,121
Bank charges	357	77
Write off and provision of rental income arrears	2,707	1,644
Insurance	843	831
Operating leases	25,972	28,143
Rates and water	-	511
Training	-	90
	<u>33,826</u>	<u>34,417</u>

Total expenditure on Charitable Activities	<u>56,097</u>	<u>68,103</u>
--	---------------	---------------

£2,960 (2020: £48,964) of the above expenditure relates to restricted funding.

All costs, unless easily identifiable, have been apportioned between Charitable Activities and Support Costs at 40% and 60% respectively. This ratio is considered by the Trustees to fairly reflect the split of expenditure undertaken within the charity.

5. EXPENDITURE ON FUNDRAISING ACTIVITIES

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Events	707	-	707	821
	<u>707</u>	<u>-</u>	<u>707</u>	<u>821</u>

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

NOTES TO THE ACCOUNTS

6. TRUSTEES REMUNERATION AND BENEFITS

No Trustees were remunerated during the year.

No Trustees expenses (2020: nil) were paid in the year to cover travel expenses.

7. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Total £
Cost			
At 31 August 2020	8,619	2,406	11,025
At 31 August 2021	8,619	2,406	11,025
Depreciation			
At 31 August 2020	8,619	2,406	11,025
At 31 August 2021	8,619	2,406	11,025
Net Book Value			
At 31 August 2021	-	-	-
At 31 August 2020	-	-	-

8. DEBTORS

	2021 £	2020 £
Amounts falling due within one year:		
Rental debtors	3,310	1,689
Other debtors	1,689	-
Prepayments	19	-
	<u>5,018</u>	<u>1,689</u>

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

NOTES TO THE ACCOUNTS

9. CREDITORS: amounts falling due within one year

	2021	2020
	£	£
Accruals	2,455	7,036
Deferred Income	96	4,324
Other creditors	39	-
	<u>2,589</u>	<u>11,360</u>

10. LEASING AGREEMENTS

The charitable company had outstanding commitments for future minimum lease payments which fall due as follows:

	2021	2020
	£	£
Within one year	36,002	49,680
Two to five years	0	41,400
	<u>36,002</u>	<u>91,080</u>

11. UNRESTRICTED FUNDS

	Brought forward	Incoming resources	Outgoing resources	Carried forward
	£	£	£	£
General Fund	18,127	48,482	(53,844)	12,766
	<u>18,127</u>	<u>48,482</u>	<u>(53,844)</u>	<u>12,766</u>

12. RESTRICTED FUNDS

	Brought forward	Incoming resources	Outgoing resources	Carried forward
	£	£	£	£
Frolich Estate	9,847		-	9,847
Community Foundation for Merseyside	2,429	-	-	2,429
Arts Council England Emergency Grant		2,960	(2,960)	-
	<u>12,276</u>	<u>2,960</u>	<u>(2,960)</u>	<u>12,276</u>

These are the monies given to the charitable company to be spent for specific purposes.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021**

NOTES TO THE ACCOUNTS

12. RESTRICTED FUNDS (continued)

Arts Council England Emergency Recovery Grant allowed us to provide reduced rent to studio artists to reduce the financial pressures placed on our community of artists, many of whom had their finances dramatically reduced due to loss of freelance work and commissions.

Estate of the Late Mrs AF Frohlich - Bequest granted to contribute towards hiring a permanent Studio Manager & supporting residency scheme for HEI graduates.

Community foundation for Merseyside funding will be used to fund artistic and creative exhibitions specifically aimed at people who are aged 65 and over.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Unrestricted funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	-	-	-
Net Current Assets/(liabilities)	12,766	12,276	25,042
	<u>12,766</u>	<u>12,276</u>	<u>25,042</u>

14. RELATED PARTY TRANSACTIONS

Trustees L Payot, S Mohamad Noor and M O'Brien are also studio holders.

There were no other material related party transactions during the year which require disclosure (2020: none).

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

This page does not form part of the statutory financial statements

Incoming Resources for the year ending 31 August 2021	2021 £	2020 £
Donations and legacies		
Donations and sponsorship	702	3,640
Grants	2,960	61,447
	<u>3,662</u>	<u>65,087</u>
Other trading activities		
Fund raising events	2,447	4,598
Rents receivable	45,333	35,889
	<u>47,780</u>	<u>40,487</u>
Total Incoming Resources	<u>51,442</u>	<u>105,574</u>
 Expenditure for the year ending 31 August 2021	 2021 £	 2020 £
Fundraising		
Events	707	821
Charitable Activities		
Fees and other costs	-	-
Insurance	562	554
Operating Leases	17,315	18,762
Project Costs	1,050	13,474
Rates and water	0	341
Website & Advertising	1,147	178
Subscription & office costs	2,196	378
Depreciation	-	2,154
Release of capital grant	-	(2,155)
	<u>22,270</u>	<u>33,686</u>
Support costs - management		
Insurance	843	831
Operating leases	25,972	28,143
Rates and water	-	511
Training	-	90
	<u>26,815</u>	<u>29,575</u>
Finance Costs		
Bank Charges	357	77
Write off and provision of rental income arrears	2,707	1,644
Governance Costs		
Governance Costs - Accountancy	3,947	3,121
Total resources expended	<u>56,804</u>	<u>68,924</u>
Net Income/ (Expenditure)	<u>(5,361)</u>	<u>36,650</u>

TRS GALLERY

England & Wales - Charity number 1152968

Accounts

TRS GALLERY

INDEPENDENTLY EXAMINED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

Company Number: 06988365

Charity Number: 1152968

The Royal Standard

Northern Lights

5 Mann Street

Liverpool

L8 5AF

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

TRUSTEES

M Ball
M Brewster
D Evans
M Hooper
Y Karcheva
L Payot
R Stockill

REGISTERED OFFICE

Studio 19, The Bluecoat, 8 School Lane
Liverpool, L1 3BX

COMPANY NUMBER

06988365

CHARITY NUMBER

1152968

BANKERS

HSBC

INDEPENDENT EXAMINERS

Adding Value Consultancy Ltd
Studio 19, The Bluecoat, 8 School Lane
Liverpool, L1 3BX

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020**

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**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020**

TRUSTEES' REPORT

The trustees present their report and accounts for the year ended 31 August 2020 for TRS Gallery, which is also known as The Royal Standard.

PRINCIPAL ACTIVITIES

The charitable company develops, promotes and advances the arts, including visual arts, craft and design, video, sound and digital arts and performance art.

CHARTIABLE OBJECTIVES

The charitable company aims to:

- Provide affordable studio spaces and supportive community to emerging artists
- Showcase exciting, innovative exhibitions and events
- Work with the most outstanding recent graduates and emerging artists as well as more established practitioners and other artist-led initiatives
- Develop a dynamic and challenging gallery programme
- Build national audiences; and
- Develop existing local and national relationships.

The charitable company aims to support and develop:

- New audiences: locally, nationally and internationally
- Opportunities for participation in arts activities; and
- Curatorial knowledge and resources.

SUMMARY OF ACTIVITIES UNDERTAKEN TO FURTHER THE OBJECTIVES

The charitable company will pursue these aims by the following principles:

- Provide equality of opportunity, in both its work in the arts and the development of the organisation
- Implement financial planning and increase paid capacity in the team to better support finances, governance, and studio management operations
- Consult with community to better inform programme and serve the needs of the local community
- Developing existing partnerships with organisations; and
- Creating and sustaining a mixed funding base

PUBLIC BENEFIT STATEMENT

In considering the objectives and activities, the Trustees have considered Charity Commission guidance on public benefit to ensure that the organisation is meeting its public benefit requirements.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020**

TRUSTEES' REPORT

ORGANISATION AND LEGAL STATUS

The charity is a company limited by guarantee and registered as a Charity. The charitable company is controlled by its governing document, memorandum of articles incorporated on 12th August 2009 as amended by special resolution(s) dated 8th March 2013 as registered at Companies House on 5th April 2013.

The organisation is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is £1.

TRUSTEES AND THEIR APPOINTMENT AND TRAINING

The charitable company is governed by a Board of Trustees, who are also its Directors. Members of the Board of Trustees during the year are listed above.

Trustees are recruited based on a regular review if skills considered necessary and ongoing discussion between the existing Board of Trustees. Numbers are limited and the charitable company has a policy of a rolling Trusteeship/Directorship to keep the charitable company focused and forward thinking. The current Board has a range of skills including business management, sales, fundraising, arts education, art practice, curatorial practice, and arts administration.

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR

The charitable company delivered several programmes and events in the year attracting new and existing audiences to the gallery and studios. Due to the covid-19 pandemic and nation wide lockdown, the organisations focus was set to support its immediate community of artists through the period and delivering online activity.

After securing Emergency Funding from Arts Council England, we provided reduced rent to studio artists to reduce the financial pressures placed on our community of artists, many of whom had their finances dramatically reduced due to loss of freelance work and commissions. The funding also allowed us to undergo internal organisational development, such as setting up new financial systems and producing a new, fit for purpose website, developing brand guidelines and supporting studio artists through sharing funding opportunities and supporting with grant applications.

STUDIO SHOW — October – November 2020

Celebrating the diversity within our artistic community, *Studio Show* reflected a unique dialogue between 22 artists at The Royal Standard and drawn parallels between unrelated practices. To accommodate each artist's unique working habits, the un-themed exhibition reflects the difference voices, ideas and personalities that come together within the studio and the threads of common interest drawn between individual artists working practices and styles.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020**

TRUSTEES' REPORT

SHUFFLE – February 2020

The Royal Standard acted as leading partners in *SHUFFLE* — a one night event designed to expose and elevate the most innovative grassroots activity happening in Liverpool. The night brought together artist-led and DIY multi-disciplinary incentives including BITCH Palace, Zooniverse, and Common Zine, as well as independent curators Ben Lunt and Dan Waine to produce micro-exhibitions 'Hagrid' and 'You scratch my back, I'll scratch yours'. With The Royal Standard acting as a centre point and host, the night produced 8 exhibitions, supporting over 60 artists, and welcoming 400+ visitors.

TRS – GEN: Generator Projects Exchange – October 2019 & March 2020

Part of a cross-city exchange celebrating artist-led organisations nationally & introduces artists from across the Nation to new audiences — we participated in a two-part exchange with Dundee-based artist-led, GENERATOR Projects.

In 2019, GENERATOR Projects hosted four studio members — Ben Lunt, Laura Spark, Gregory Herbert and Amy Mizrahi from The Royal Standard for an exhibition in Dundee. In 2020, an exchange exhibition was hosted at The Royal Standard Gallery, highlighting the work of GENERATOR Projects voluntary team of artists who manage the space, allowing the artists-come-directors to reclaim their practice and showcase their work.

UTOPIA – July – November 2020

In a time of profound environmental, economic, and social crisis, The Royal Standard invited artists to respond to ideas of UTOPIA through a series of micro-commissions.

Overnight, COVID-19 drastically changed global living dynamics. Does this crisis offer us an opportunity to radically reinvent the world in which we live? Can we rethink how we act and connect? Can we live slower and more intentionally, bringing local and global communities together, reducing our impact on the planet and having a positive effect on a mass scale?

Utopian thinking aspires to a better world and has long been harnessed as a tool by artists to contribute to our understanding of culture and to map out future possibilities. However, some argue failed Utopian projects of the past prove radical ideas for social change are impractical and irrational schemes. We invited six artists to respond to such ideas and questions through their projects, plotting out visions and hopes for the future by responding to real or imaginary sites.

Manifesting within the digital realm, the programme commissioned six emerging to mid-career artists produce new digital works. Artists included Kiara Mohammed, Brendan Curtis, John Carney, Bink Bulthaweenan, Rowland Hill and Patt Flynn — threads running through each individual project included how collective thinking can activate social and economic change, the individual's capacity to create their own utopia and looking to the past to understand or reimagine the present and future.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020**

TRUSTEES' REPORT

TRS SETS – April – June 2020

'TRS Sets' was a social media game-style responsive art challenge conducted through Instagram stories which encouraged audience participation through sharing artworks and images. Each weekend for a 10-week period, The Royal Standard would set a challenge brief on Instagram, giving audiences 48 hours to respond creatively with an artwork or image. At 8:00pm on Sunday we would share all responses, using our online platforms to highlight national artists and draw attention to their work. Providing some light touch fun in what was a testing period, we received 204 submissions with more than 45,900 online engagements over the 10-week period.

LJMU Residency Scheme

As part of our long-standing relationship with Liverpool School of Art and Design, we provided new graduates with a residency space at our studios for a 6 month period. In that time, they have access to our facilities, and we work with them to help support their development through events. This year, we supported four recent graduates including Michael Roberts, and emerging artists Ash//Ella — leading to their first exhibition with Cognitive Sensations, held in July 2021.

FUTURE PLANS

The Royal Standard's organisational development has been hindered due to the Pandemic; like many organisations, we are a year behind and trying to keep focus our attention internally; focusing on the immediate community of artists we are working with.

Strategic planning work initiated in 2019 has been put on pause for the time being, although our mission and goals as an organisation remain the same and we are consistently looking for ways to improve our services benefit for its artists, volunteers and wider community or emerging practitioners. The tangible steps and goals outlined in our Business Plan and forecast, produced by Andrea Nixon and Jim Buso in 2019, are still attainable but have been delayed due to the pandemic. Moving forward, our main concern is gaining paid capacity to support our community of artists, manage finances and manage regional and national relationships with arts organisations and partners.

Our main focus and priority will be on continuing to support artists through pandemic recovery, through access to opportunities, support with funding and increased opportunities to have a say and participate in the shaping of our programme. We recently initiated a programme committee to give studio artists a say in what they think should be shown in the gallery and what would support their artistic development as a group, many of whom are new graduates and emerging professionals. Our Space Raiders Residencies — a series of 2 week mini-residencies open to artists in Liverpool — initiated late this year has given artists without access to a studio space, the opportunity to produce work at scale, bring new ideas to fruition and generate new thinking.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020**

TRUSTEES' REPORT

The Royal Standard has been given access to a former M&S retail space in Bootle, granted by Axis-Web, which offers a unique space for our studio artists and the wider artistic community to come to produce work at scale and have access to affordable space which is near impossible within the city. The open plan space offers the chance for artists to work collaboratively and bounce round new ideas and thinking, rather than working in silos. We plan to utilise the space and invite new artists to do Space Raider residencies similar

We will also continue to work alongside LJMU to facilitate our successful poly residency Scheme, helping to support emerging young artists within the city region. This year, we will continue this relationship and explore ways we can work with MA students, and tap into networks further afield, in Bootle. We are exploring the potential of developing relationships with Hugh Baird University and College, providing their students with access to space, and the energy and expertise of more experienced artists.

We are also keen to consult with the community in terms of what they would like from us as an organisation when planning our future programme for 2022. We plan to hold a series of consultancy sessions in our gallery space, inviting the artists, peers, community members and organisations in to discuss the role we play in the community, collect views on what they would like to see and how our programme can better reflect them and their interests. Hosted in Autumn 2021, the session will inform future bids for our spring to autumn programme in 2022.

GOING CONCERN

The financial statements have been prepared on a going concern basis. The trustees have considered the level of funds held and the expected level of income and expenditure for the twelve months from authorising these financial statements. The trustees assess the charity to be a going concern based on review of financial performance of the 2020/21 year to date, the management accounts forecast for the remainder of 2020/21, the rolling cash flow forecast, funding commitments from Arts Council England, and longer-term plans and forecasts for 2021 and beyond. As a result, the trustees are satisfied that these accounts can be prepared on a going concern basis.

ORGANISATIONAL DEVELOPMENT

Although hindered by the pandemic, we are still working towards building a more sustainable and resilient future as an organisation. We are focusing primarily on how our activity can support emerging artists from our Artist Leads to our volunteers, studio artists and wider community of local artists and participants. We have reduced our public programme to think about organisational development – with our main focus being to gain financial support in the form of a Studio Manager to remove the burden on our Artist Leads which hinders the opportunity to develop creative ideas, support our studio artists and work on networking with local community. Further funding, consultation and support are needed to achieve this – work which will be undertaken by trustees, consultants, and critical friends.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020**

TRUSTEES' REPORT

RISK MANAGEMENT

The main risks to which the charitable company is exposed as identified by the Trustees have been considered and systems have been established to mitigate those risks.

FINANCIAL REVIEW

Incoming resources for the year totalled £105,574 (2019: £56,349) of which £51,447 (2019: £15,140) related to funding for projects upon which restrictions are placed. Total expenditure in the year was £68,925 (2019: £61,837), leaving a surplus for the year of £36,649 (2019: deficit £5,488). At 31 August 2020, the charitable company's reserves stood at a surplus of £30,403 (2019: deficit £6,246) of which a surplus of £12,276 (2019: surplus £9,793) represented restricted funds.

RESERVES POLICY

The purpose of the Reserves Policy for is to ensure the financial stability of the organisation and that it maintains a viable operating position to deliver on its charitable objectives. Based on the current operating expenditure the Target Operating Reserve is set at £12,500 which is equivalent to three months of operating cash expenses.

Definitions, Targets and Reporting:

The Operating Reserve is intended to provide an internal source of unrestricted funds for unforeseen situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding/rental income, or uninsured losses. The Reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure. Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap.

The target minimum Operating Reserve Fund is equal to three months of average operating cash expenses. The calculation of average monthly expenses excludes any costs associated with the delivery of arts related activities which are to be funded from Restricted funds and do not therefore form part of the Operating Reserve Calculation.

The amount of the Operating Reserve Fund target minimum will be calculated each year after approval of the annual budget, and reported by the Finance Sub-Committee to the Full Trustee meeting for formal approval. The Operating Reserve is a live target that will be monitored as part of the Full Trustee meeting cycle.

Funding of Reserves:

The Operating Reserve Fund should be funded with surplus unrestricted operating funds. The Trustees may from time to time direct that a specific source of revenue be set aside for Operating Reserves. Examples may include eligible grant funding with unrestricted access to the funds; donations; and sponsorship related to artistic activity.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020**

TRUSTEES' REPORT

RESERVES POLICY (continued)

Use of Reserves:

Use of the Operating Reserves requires three steps:

1. Identification of appropriate use of reserve funds - The Trustees and Directors will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. This step requires analysis of the reason for the shortfall, the availability of any other sources of funds before using reserves, and evaluation of the time period that the funds will be required and replenished.

2. Authority to use operating reserves - A request to use Operating Reserves will be submitted to Trustees for approval as part of a Full Trustee meeting agenda item. The request should include the analysis and determination of the use of funds and plans for replenishment.

The organisation's goal is to replenish the funds used within twelve months to restore the Operating Reserve Fund to the target minimum amount. If the use of Operating Reserves will take longer than 12 months to replenish, the request will be scrutinized more carefully. The Trustees will approve or modify the request and authorise transfer from the fund. This will be recorded as a minute within the Full Trustee meeting report

3. Reporting and monitoring - A nominated Director is responsible for ensuring that the Operating Reserve Fund is maintained and used only as described in this Policy. Upon approval for the use of Operating Reserve funds, the Director will maintain records of the use of funds and plan for replenishment. He/she will provide regular reports to the Finance Committee and trustees of progress to restore the Fund to the target minimum amount. The use and current status/level of Operating Reserves will be an Agenda item at the Full Trustee meeting

Actual Operating Reserve:

As of 30 August 2018 the total unrestricted funds available to be ring-fenced for Operating Reserves fell short of the three-month target. The key issue affecting the reserves of the charitable company relate to the relocation of the charitable company in 2017, leading to costs being greater than anticipated. A financial strategy was put in place in 2018 to bring current reserves closer to the target figure.

A number of actions have now been implemented. These include:

- Increasing the rent from studio members by 10%
- Recruiting new trustees and advisors with specific financial and governance skills
- Strengthen existing institutional studio tenants and source new partnerships with scope for a premium rental income
- Increase the submission of grant applications including a significant application to the Arts Council which will include a core cost element to support unrestricted expenditure costs; and,
- Appointment of full-time support from the John Lewis secondment programme.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020**

TRUSTEES' REPORT

RESERVES POLICY (continued)

A Finance Sub-Committee has been established to review and monitor the actions above and to report into a strengthened Trustee committee. Despite the challenges presented, the Trustees are confident the actions presented will support the improvement of the current reserve to meet more closely with the Target Operating Reserve over time.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law 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 as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently
- observe the methods and principle in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue as a going concern
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

APPROVAL

This report has been prepared in accordance with the Charities Act 2011, Companies Act 2006, Accounting and Reporting by Charities; Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015).

This report was approved by the Board of Trustees on 4TH June 2021.

R Stockill
Trustee

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020**

INDEPENDENT EXAMINER'S STATEMENT

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the trustees on our examination of the accounts for the year ended 30 August 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

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



Matthew Brown, CPFA
Adding Value Consultancy Ltd
Accountants and Financial Management Consultants
Date: 4th June 2021

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted funds	Restricted funds	2020 Total	2019 Total
Income and endowments from:					
Donations and legacies	2	13,640	51,447	65,087	16,840
Other Trading activities	3	40,487	0	40,487	39,509
Total Income and endowments		54,127	51,447	105,574	56,349
Expenditure:					
Expenditure on charitable activities	4	19,140	48,964	68,104	61,441
Fundraising	5	821	0	821	396
Total Expenditure		19,961	48,964	68,925	61,837
Net Income (Expenditure) for the Year		34,166	2,483	36,649	(5,488)
Net income/(expenditure) for the year		34,166	2,483	36,649	(5,488)
Total funds brought forward		(16,039)	9,793	(6,246)	(758)
Net funds carried forward		18,127	12,276	30,403	(6,246)

The Statement of Financial Activities includes all gains and losses recognised during the year. All income and expenditure relate to continuing operations.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

BALANCE SHEET AS AT 31 AUGUST 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible Fixed Assets	7	-	2,154
CURRENT ASSETS			
Debtors (amounts falling due within one year)	8	1,689	0
Cash at bank and in hand		40,074	9,885
		<u>41,763</u>	<u>9,885</u>
CREDITORS: Amounts falling due within one year	9	<u>(11,360)</u>	<u>(18,285)</u>
NET CURRENT ASSETS (LIABILITIES)		30,403	(8,400)
TOTAL NET ASSETS		30,403	(6,246)
RESERVES			
Unrestricted funds	11	18,127	(16,039)
Restricted funds	12	12,276	9,793
		<u>30,403</u>	<u>(6,246)</u>

For the year ending 31 August 2020 the company was entitled to exemption under section 477 of the Companies Act relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the board of trustees on 4th June 2021 and signed on their behalf:

R Stockill
Trustee

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020**

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

1a. Basis of Accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) 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 and Republic of Ireland (FRS102) (SORP 2015) (effective 1st January 2015), Charities Act 2011 and the Companies Act 2006.

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

1b. Fund accounting

Unrestricted funds are the charitable company's free reserves available for the Trustees to apply in accordance with the charitable company's charitable objectives.

Restricted funds are subject to specific restrictive conditions imposed by the donor. All restricted funds are accounted for as restricted income and expenditure for the purposes is charged to the fund.

1c. Income recognition

All income is recognised once the charitable company has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies comprise of donations and general grants which are recognised in the accounts when received, with the exception of known legacies which are accounted for when their receipt is certain.

Other trading income relates to all fundraising events and is recognised when the amounts are certain.

1d. Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (continued)

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Expenditure on charitable activities relate to the operation of the charitable company comprising of direct charitable expenditure to meet the objectives of the charitable company. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the charitable company.

1e. Tangible fixed assets

Tangible fixed assets are stated in the balance sheet as cost or revaluation less accumulated depreciation. Capital expenditure of £100 and above is treated as a fixed asset. Depreciation is provided to write off the cost of each asset over its expected useful life as below:

Improvements to property	25% per annum straight line basis
Plant and machinery	25% per annum straight line basis

1f. 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.

1g. Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1h. Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020**

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (continued)

1j. Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

1k. Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1l. Taxation

Income and gains are exempt from taxation as they are received and applied for charitable purposes only. The charitable company benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

1m. Critical accounting estimates and judgements

In the application of the charitable company'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 on-going 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.

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

NOTES TO THE ACCOUNTS

2. INCOME AND ENDOWMENTS FROM DONATIONS AND LEGACIES

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Donations and sponsorship	3,640	-	3,640	1,700
Grants Receivable	10,000	51,447	61,447	15,140
	<u>13,640</u>	<u>51,447</u>	<u>65,087</u>	<u>16,840</u>

	2020 £	2019 £
Analysis of grants receivable:		
Arts Council England	14,960	14,890
Communal	-	250
Frolich	9,847	-
Arts Council England - Emergency funding	26,640	-
Liverpool City Council	10,000	-
	<u>61,447</u>	<u>15,140</u>

3. INCOME AND ENDOWMENTS FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Fundraising	4,598	-	4,598	4,154
Rents Receivable	35,889	-	35,889	35,355
	<u>40,487</u>	<u>-</u>	<u>40,487</u>	<u>39,509</u>

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Charitable Expenditure 2020 £	Support Finance & Governanc 2020 £	Total 2020 £	Total 2019 £
Operation of an artists' gallery and exhibitions	33,686	34,418	68,104	61,441
	<u>33,686</u>	<u>34,418</u>	<u>68,104</u>	<u>61,441</u>

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

NOTES TO THE ACCOUNTS

4. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

	2020	2019
	£	£
Direct Charitable Expenditure		
Fees and other costs	-	763
Insurance	554	546
Operating Leases	18,762	17,073
Project Costs	13,474	11,807
Rates and water	341	1,233
Website & advertising	178	-
Subscriptions & office costs	378	-
Depreciation	2,154	2,156
Release of capital grant	(2,155)	(2,155)
	<u>33,686</u>	<u>31,423</u>

	2020	2019
	£	£
Support Finance & Governance		
Accountancy and legal fees	3,121	1,573
Bank charges	77	167
Write off of rental income arrears	1,644	-
Insurance	831	819
Operating leases	28,143	25,609
Rates and water	511	1,850
Training	90	-
	<u>34,418</u>	<u>30,018</u>

Total expenditure on Charitable Activities	<u>68,104</u>	<u>61,441</u>
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£48,964 (2019: £17,729) of the above expenditure relates to restricted funding.

All costs, unless easily identifiable, have been apportioned between Charitable Activities and Support Costs at 40% and 60% respectively. This ratio is considered by the Trustees to fairly reflect the split of expenditure undertaken within the charity.

5. EXPENDITURE ON FUNDRAISING ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2020	2020	2020	2019
	£	£	£	£
Events	821	-	821	396
	<u>821</u>	<u>-</u>	<u>821</u>	<u>396</u>

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

NOTES TO THE ACCOUNTS

6. TRUSTEES REMUNERATION AND BENEFITS

No Trustees were remunerated during the year.

No Trustees expenses (2019: nil) were paid in the year to cover travel expenses.

7. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Total £
Cost			
At 31 August 2019	8,619	2,406	11,025
At 31 August 2020	8,619	2,406	11,025
Depreciation			
At 31 August 2019	6,465	2,406	8,871
For the year	2,154	0	2,154
At 31 August 2020	8,619	2,406	11,025
Net Book Value			
At 31 August 2020	-	-	-
At 31 August 2019	2,154	-	2,154

8. DEBTORS

	2020 £	2019 £
Amounts falling due within one year:		
Rental debtors	1,689	-
	1,689	-

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

NOTES TO THE ACCOUNTS

9. CREDITORS: amounts falling due within one year

	2020	2019
	£	£
Accruals	7,036	12,013
Deferred Income	4,324	4,117
Deferred government grants	0	2,155
	<u>11,360</u>	<u>18,285</u>

10. LEASING AGREEMENTS

The charitable company had outstanding commitments for future minimum lease payments which fall due as follows:

	2020	2019
	£	£
Within one year	49,680	49,634
Two to five years	41,400	78,232
	<u>91,080</u>	<u>127,866</u>

11. UNRESTRICTED FUNDS

	Brought forward	Incoming resources	Outgoing resources	Carried forward
	£	£	£	£
General Fund	(16,039)	54,127	(19,961)	18,127
	<u>(16,039)</u>	<u>54,127</u>	<u>(19,961)</u>	<u>18,127</u>

12. RESTRICTED FUNDS

	Brought forward	Incoming resources	Outgoing resources	Carried forward
	£	£	£	£
Arts Council England	-	14,960	(14,960)	-
Arts Council England - emergency grant		26,640	(26,640)	-
Frolich Estate		9,847	-	9,847
Community Foundation for Merseyside	2,429	-	-	2,429
International Festival for Business	3,028	-	(3,028)	-
Liverpool Empire Trust	1,450	-	(1,450)	-
National Lottery Awards for all	2,886	-	(2,886)	-
	<u>9,793</u>	<u>51,447</u>	<u>(48,964)</u>	<u>12,276</u>

These are the monies given to the charitable company to be spent for specific purposes.

**TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020**

NOTES TO THE ACCOUNTS

12. RESTRICTED FUNDS (continued)

Arts Council England is funding towards a development programme to build and expose the charitable company to wider audience.

Arts Council England Emergency Recovery Grant allowed us to provide reduced rent to studio artists to reduce the financial pressures placed on our community of artists, many of whom had their finances dramatically reduced due to loss of freelance work and commissions.

Estate of the Late Mrs AF Frohlich - Bequest granted to contribute towards hiring a permanent Studio Manager & supporting residency scheme for HEI graduates.

International Festival of Business helped to fund a programme aimed at creating transparency between business and art.

Liverpool Empire Trust is going to be used towards printer costs.

National Lottery Awards for All was used for the 'Working Together: Improving the Social Space at TRS Gallery' project.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Unrestricted funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	-	-	-
Net Current Assets/(liabilities)	18,127	12,276	30,403
	<u>18,127</u>	<u>12,276</u>	<u>30,403</u>

14. RELATED PARTY TRANSACTIONS

The trustee L Payot is also a studio holder.

There were no other material related party transactions during the year which require disclosure (2019: none).

TRS GALLERY
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2020

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

This page does not form part of the statutory financial statements

Incoming Resources for the year ending 31 August 2020	2020 £	2019 £
Donations and legacies		
Donations and sponsorship	3,640	1,700
Grants	61,447	15,140
	<u>65,087</u>	<u>16,840</u>
Other trading activities		
Fund raising events	4,598	4,154
Rents receivable	35,889	35,355
	<u>40,487</u>	<u>39,509</u>
Total Incoming Resources	<u>105,574</u>	<u>56,349</u>
 Expenditure for the year ending 31 August 2020	 2020 £	 2019 £
Fundraising		
Events	821	396
Charitable Activities		
Fees and other costs	-	763
Insurance	554	546
Operating Leases	18,762	17,073
Project Costs	13,474	11,807
Rates and water	341	1,233
Website & Advertising	178	-
Subscription & office costs	378	-
Depreciation	2,154	2,156
Release of capital grant	(2,155)	(2,155)
	<u>33,686</u>	<u>31,423</u>
Support costs - management		
Insurance	831	819
Operating leases	28,143	25,609
Rates and water	511	1,850
Training	90	-
	<u>29,576</u>	<u>28,278</u>
Finance Costs		
Bank Charges	77	167
Write off of rental income arrears	1,644	-
Governance Costs		
Governance Costs - Accountancy	3,121	1,573
Total resources expended	<u>68,925</u>	<u>61,837</u>
Net Income/ (Expenditure)	<u>36,649</u>	<u>(5,488)</u>