

**Company Registration number: 03938363**

**Charity Registration number: 1181492**

**G39**

**(A company limited by guarantee and not having share capital)**

**Report of the Trustees and Financial Statements  
For the Period Ended  
31<sup>st</sup> December 2020**

**G39**  
**For the period ended**  
**31 December 2020**

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## **Report of the Trustees**

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 December 2020, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)

### **Summary**

Having supported visual artists in Wales for over two decades, g39's longevity as an organisation is in part due to its responsiveness and adaptability in the face of a changing landscape for artists and audiences. In 2020 we have seen some of the most significant changes in that landscape that we are likely to see in a lifetime.

We listened as the world demanded change and we support those changes. This prompted our extensive review of our Equalities Action Plan, written in the context of a pandemic that has highlighted the gross inequalities of our society, the urgency of Black Lives Matter and the disproportionate impact of Covid19 on those communities.

Our most apparent challenge to achieving our objectives in 2020 was the need to close the g39 premises. The pandemic has shown the extent to which our relationships with our audiences is dependent on participants being able to visit and have 'offline' experiences within g39's carefully mediated environment. This has prompted us to develop our understanding of the emerging new landscape and what a post-covid business model might look like for g39, and taking our first steps towards that.

### **Objectives and Activities**

The Objects of the Charity are to advance and promote contemporary visual arts for the benefit of the public in particular but not exclusively by providing exhibition space for Welsh and other contemporary visual artists, and by providing training and other similar resources to artists and to the public.

Our vision is to contribute to the growth of a culturally articulate nation, one that understands the relevance and significance of artistic activity in a functioning and progressive society; a nation that places value and respect on artists and their contributions.

We are pleased that our vision is supported by a growing consensus that the arts can foster and nurture both individual psychological resilience and community resilience. At the core of our convictions is the belief that artists are agents for change. In Wales this change is defined in part by the Well Being of Future Generations (Wales) Act 2015. Universal access to arts education and participation are highly effective means of achieving the goals set out in the legislation.

In the context of the pandemic we have been prioritising our efforts to keep g39's crucial work alive and relevant, specifically as:

- Developers of talent across Wales
- Advocates for the visual arts and all art forms for their inherent worth as well as their instrumental value in health and wellbeing
- A public platform for visual art from Wales

- Champions for artistic pursuit and endeavour at all levels

We have involved our wider peer networks and audiences in the process of understanding g39's post-covid relevance. This work has taken place alongside our efforts to continue with the following core activities:

- Curating and presenting an innovative programme of activity centred around contemporary visual art
- Delivering artistic training opportunities and development including (but not limited to): workshops, lectures, seminars, one-to-one sessions, a library resource area, dissemination of information and opportunities.

These core activities have evolved in recognition of the need for:

- A space that reflects the communities that we work alongside
- High quality contemporary art experiences, which engage diverse audiences
- A safe and supportive environment for audiences and beneficiaries to engage with and openly discuss contemporary art practice
- Authentic and long-term relationships with individuals and communities
- Training and professional development opportunities for artists
- Leadership and advocacy for the visual arts

The trustees acknowledge their responsibilities for complying with the requirements of guidance issued by the Charity Commission on public benefit (gained via Commission guidance booklets and bespoke Trustee Training sessions).

### **Summary of the main achievements and performance of the charity**

The right to culture is a human right. We strive to counter the perception that artists come from 'elsewhere' by demonstrating how they are a common part of our communities, societies, nations. We advocate for artists as valuable agents of change within their communities.

"At a time when artists, cultural minorities, cultural heritage and cultural expressions are increasingly under attack, defending the cultural rights of individuals and communities has never been more important." UNESCO, The Right to Culture, 2018.

Our year began with an exciting 'programme takeover' by artist collective Rat-trap. They programmed an exhibition season that was structured around four micro-residency collaborations and social events, designed to bring together a range of audiences. Sadly the pandemic brought this season to an abrupt halt part-way through, and prompted a complete review of g39's planned activities for 2020. Despite the difficulties posed by the pandemic, we are proud to say that we honoured all contracts and upcoming commitments to artists and freelancers.

We adapted to the limitations of the restrictions quickly and, while the building remained closed to the public and resident artists, we responded swiftly with an innovative programme of online talks, workshops and new artist commissions. Several of these honoured existing partnership agreements with other organisations and initiatives including the Romani Cultural and Arts Company (their Gypsy Maker project), and the 2020 Jarman Award. In addition via a new

partnership with the creative street advertising specialists Jackarts, we were able to present artists' works around Cardiff city centre on billboard poster sites.

### **New commissions**

While restrictions prevented us from welcoming audiences into our gallery physically, online forums became our exhibition spaces. Using our website and platforms such as Vimeo and Instagram Live, we made twelve new commissions available for artists and collectives to undertake new creative responses, via open calls. This exceeded our annual target in terms of the number of artists supported via paid commission opportunities, channelling as much funding as possible to support artists at a time when their incomes were hit hard by the pandemic.

For five of these commissions we invited artists to produce a resource guide based on a skillset, expertise or a piece of knowledge / research that they wished to share with the sector. The resulting guides covered topics including:

- how to situate one's practice in the public realm
- negotiating unpaid opportunities
- best practice for working with people who have sensory processing problems due to autism.

The guides were presented as films, posters and instructional guides, and are freely available for the community. We were impressed and delighted by the new directions, innovations and bold approaches that all artists took in their commissions.

### **Residencies and studios at g39**

Our Fellowship programme, with its emphasis on shared studio practice and peer support, was delayed and compromised as a result of the pandemic. We are grateful to Freelands Foundation who pledged 3 months' additional project funding (£6,250) and artist fees (£14,575), enabling us to extend the planned delivery schedule by 3 months. While there is no true alternative to the real-life personal interactions that enrich this programme, we supported the eleven current fellowship artists using a range of digital formats and recruited a further five who will undertake the Fellowship from 2021-23. Participating artists continued to benefit from a programme of guest visiting artists and curators, hosted online.

### **The difference g39's work has made to its beneficiaries and society as a whole: Our commitment to a diverse programme**

With our 2020 commissions and residencies g39 applied Positive Action to further increase the diversity of the artists supported and featured in its programmed content. Positive Action uses proportionate action to achieve fuller and more effective equality outcomes for members of groups that are socially or economically disadvantaged or excluded, or who otherwise face the consequences of past or present discrimination or disadvantage. This has meant we have exceeded targets set for diversifying g39's programme, despite the challenges posed by the Covid-19 pandemic (see summary of charitable activities below).

Similarly, our events have promoted inclusivity and wider engagement, ensuring schemes and resources are accessible to minoritised groups.

We looked at how g39 can best support individuals, artists and staff as they experience additional new challenges. A suite of training sessions for staff has equipped us with skills,

knowledge and signposting to pay special attention to the mental health and wellbeing of our constituents.

We are grateful to the community of artists, audiences, volunteers, galleries, funders, friends, and our families for their understanding, patience and support during 2020. Beyond g39's own activities, staff have also played key roles in leading on various sector-wide initiatives to make the visual and applied arts sector in Wales a safe and inclusive space for people to actively seek out and engage with, particularly people with protected characteristics including those with diverse backgrounds.

### **Summary of the performance of the charity**

Following is a summary of the main charitable activities we planned to undertake in 2020 to achieve the charity's objectives, with detail of how well we achieved those activities against the targets we set:

Objective:

To advance and promote contemporary visual arts for the benefit of the public we will:

Activity:

Commission, curate and present innovative and challenging contemporary work, and

Deliver an inclusive and accessible programme which is relevant to, reflective of, and embedded in the communities we serve

Target	2020 performance
Present 3-4 seasons per year, featuring: 12 artists (or equivalent); 8 guest speakers / contributors; two workshops or equivalent.  At least 60% contributors will be Welsh or Wales-based.	During 2020 we presented 1 physical exhibition season, 1 online season of new commissions, and we hosted 1 artist film award screening event. These presentations featured the work of 37 artists, of whom 27 (73%) were Welsh or Wales-based.  We presented public talks by 7 guest speakers (3 in-person, and 4 online). We hosted 3 public workshop sessions (online).

Objective:

To continue to diversify our programme, artists, and audiences we will:

Activity

Look outwards more and seek opportunities to take part in partnership projects and / or festivals elsewhere

Work with at least one new partner each year that offers opportunity for diversifying our programme and / or audiences

Target	2020 performance
<p>Across g39's and Warp's programmes 5% of events delivered by or targeting people with protected characteristics annually;</p> <p>7% of featured artists are from diverse backgrounds annually;</p> <p>and 4% of programme participants are people with protected characteristics.</p>	<p>12% of g39's and Warp's programmes were delivered by or targeting people with protected characteristics in 2020. (Within this total, 31% of our 1-2-1 sessions were attended or delivered by people with protected characteristics in 2020);</p> <p>Of 48 artists who were commissioned or resident at g39 in 2020, 44% (21 artists) were from diverse backgrounds;</p> <p>We were not able to gather sufficient data to determine backgrounds of all programme participants in 2020, but based on available evidence we estimate that of 991 participants in 2020, 7% (73 individuals) are protected under the Equality Act 2010.</p>

Objective:

As developers of new talent we will:

Activity:

Equip the next generation of artists and arts professionals with the skills, awareness, criticality, contacts and confidence to launch and maintain careers in the visual arts

Target	2020 performance
<p>The training programme reaches 500 artists and participants annually, 96% are from Wales, 7% are from diverse backgrounds.</p>	<p>The training programme reached 991 participants in 2020.</p> <p>We were not able to gather sufficient data to determine backgrounds of all programme participants, but based on available evidence we estimate that 7% (73 individuals) are protected under the Equality Act 2010.</p>

Objective:  
As champions for artistic pursuit and endeavour we will:

Activity:

Create exhibiting and professional development opportunities for artists living and working in Wales

Target	2020 performance
We will raise funds for:  12 exhibition fees opportunities  16 professional development opportunities	In 2020 we reallocated funds to create more exhibition fees and opportunities for artists during the pandemic. 31 artists were commissioned and received fees totalling £17,256  We raised funds for 16 residencies (11 as part of the g39 Fellowship, and 5 as part of Jerwood UNITE, although this programme was postponed until 2021)

Objective:

To capitalise on income opportunities (particularly new ones afforded by our charity status), and to diversify our funding sources we will:

Activity:

Update our fundraising strategy (with support from Arts & Business Cymru)

Develop an advocacy strategy based on identifying the key messages for different stakeholders and implement an influencing plan based on these messages

Research, develop and implement new income streams and methods that are in line with our Objects (including introducing fees for Warp membership)

Invest in the right digital tools and expertise to take advantage of the next generation of donors

Target	2020 performance
Submit two substantial funding bids per annum alongside our current regular bids to ACW.	Plans to implement new fundraising measures were interrupted in 2020, particularly our work to finalise g39's fundraising strategy.  Despite that setback, we successfully secured two emergency funding bids in 2020 from ACW (Stabilisation and Cultural Recovery schemes). These were not in addition to our regular



	bids to ACW. We also secured a grant from the Simon Gibson Charitable Trust.
Earned income increases by 50% (including income from Warp memberships)	Our donations and earned income in 2020 was 50% lower than 2019 (but we were able to make our first Gift Aid and GASDS claim as a result of g39's new charitable status)
We introduce contactless payment technology and appropriate CRM capability.	We invested in contactless systems for sales (Square) and donations (Goodbox).

Objective:

To promote sustainable operation and resilience we will:

Activity:

Write and implement a new Reserves Policy that is resilience-focussed (linked to our Fundraising Strategy)

Target	2020 performance
We build and maintain a reserves fund of £55k to cover the organisation's obligations.	We implemented a resilience-focussed Reserves Policy with advice from our accountants, and have accrued reserves of c. £50k. We have begun using Float app to monitor reserves levels, as advised by our accountants.

Objective:

To ensure the care and rigour of working with artists is matched with a similar level of care and rigour for administrative and organisational aspects of our work we will:

Activity:

Invest in administrative systems and personnel.

Review HR activity including policies, procedures, staffing structure, job descriptions, performance and pay levels

Target	2020 performance
<p>Allocate staff time to reviewing and improving administrative systems (including management of CRM)</p> <p>Receive HR advice via Arts &amp; Business Cymru's Skills for Success scheme.</p>	<p>This work was postponed to 2021 as a result of the pandemic.</p>

Objective:

To improve our audience relationships and capacity to gain insight and;

To manage a membership scheme, donations and records of beneficiary engagement we will:

Activity:

Develop and implement a CRM

Target	2020 performance
<p>A CRM is commissioned and active by 2020.</p> <p>Audience relationships are improved, insight into these is generated.</p> <p>Warp Membership is successfully managed</p> <p>Donor details and their donations are successfully recorded and managed</p>	<p>This CRM work and its related targets were postponed to 2021 due to the pandemic.</p> <p>Our approach to membership has since been revised, and will be targeted at constituents / audiences who are able to contribute to g39's artist support work. This is more desirable than implementing a paid-for artist membership scheme to avoid creating barriers to the services we provide.</p>

## Financial Review

G39's total income in the last financial year (Jan-Dec 2020) was £278,865 and our total expenditure was £223,629. On 31 Dec 2020 our reserves position was £67,181 (£46,934 restricted and £20,247 unrestricted).

During this period we reviewed and updated our Reserves Policy to reflect an approach framed by organisational resilience rather than risk mitigation. The purpose of our Reserves Policy is to:

- Maintain consistency in g39's services and output through periods when income is lower and / or expenditure is higher than expected.
- Save funds in anticipation of unforeseen development opportunities that would significantly improve g39's operation and/ or long-term prospects.

Given the uncertainty of project funding in the coming months and years we believe g39's reserves would be best utilised as a financial buffer for retaining key staff when project funds aren't available to cover core costs, or our fundraising efforts are not successful (50% of g39's salary costs are normally met by project grants, earned income and donations).

### Additional information: g39's principal sources of funds

G39 operates with a mixture of funding streams, several of which are administered by the Arts Council of Wales (including a three-year Revenue agreement and various Lottery-funded project grants). Our track record of securing diverse funds for activity is good: on average two-thirds of the organisation's income is from non-public sources (i.e. Lottery funds, charity and trust funds, partner projects, earned income and donations).

In 2018 we secured £375,000 from Freelands Foundation to run a fellowship programme for artists at g39 between 2018-23 (of which 21% or £79,138 was budgeted for Jan-Dec 2020). In 2019 we secured £62,430 from Jerwood Arts to run an annual studio residency scheme in 2020 and 2021 for artists, particularly those facing barriers to pursuing a visual arts practice. However, due to the pandemic the first year of this residency had to be postponed to 2021. As such, no income or expenditure was incurred relating to this scheme during Jan-Dec 2020.

**Core funds** As with many revenue-funded organisations in Wales, our agreement with the Arts Council of Wales has not changed significantly since their 2009/10 Investment Review of clients; however, unlike most, our core costs (and project costs) have increased substantially following our relocation to our current premises in 2011, and a consequent growth in activity and artistic ambition. This demonstrates our potential for innovative and far-reaching work that focuses fundraising efforts on securing core costs from a diverse range of sources.

**Earned income and trading: Trading arm update** As a registered charity, g39's governing document states that we have powers to raise funds including trading (but excluding taxable trading). The Charity Commission's guidance is more specific about what can be included as non-taxable trading, including activity that "helps your charity's primary purpose, a college selling students text books or a museum running a cafe for visitors".

G39 is also able to benefit from the Small Trading tax exemption, which grants tax exemption on any profits up to the value of 25% of g39's turnover.

For this reason we believe that our current trading situation does not warrant a trading arm, and is unlikely to in the near future. We still plan to build on existing income streams and develop new ones that help g39's primary purpose. Any trading that falls outside of the charity's primary purpose (e.g. car park hires) will be allowed by the Small Trading tax exemption.

**Donations** Our donations and earned income in 2020 was 50% lower than 2019 due to the building closure as a result of the pandemic, and to date the majority of donations have been made in person. However, we were able to make our first Gift Aid and GASDS claim as a result of g39's new charitable status. During this time we developed our readiness for receiving donations online and via contactless / tap to donate systems.

### **Additional information: Principal risks**

#### **Government orgs / Stakeholders**

- Dwindling availability of funds (public, trusts and foundations)
- Priorities of public funding at odds with g39's aims and objectives
- Increasing demand on real estate in Cardiff – city development plans don't include arts and culture

#### **Funding and financial**

- G39 loses its place in Arts Council of Wales' portfolio in the upcoming Investment Review
- Arts and culture being a low wage and low productivity sector threatens the achievement of resilience at an organisational and sectoral level.
- Decline in donations to Lottery Good Causes will impact Arts Council of Wales project funding
- Reduction or loss of business rates relief from Cardiff Council

#### **Internal / Working culture**

- Loss of expertise if a long-standing member of staff leaves the organisation
- No succession planning for loss of one or both founding directors

#### **Programme and activities**

- Limited opportunity for growth and expansion leads to competition
- Programme currently heavily reliant on project funding – resources in sharp decline

#### **Reputation and people (audiences, artists)**

- Negative perceptions and of contemporary arts generally prevent people engaging with g39
- Scaling up compromises what's special about g39
- Loss of existing relationships (audiences, local authority etc) if we relocate further afield

### **Structure, Governance and Management**

G39 is constituted as a company limited by guarantee. On 01 May 2018, we changed our legal name to g39, and became a registered charity in January 2019. The current articles of association were adopted in March 2018 and are in line with the Companies Act 2006.

Trustees are sought through open calls and via a pairing scheme (Arts & Business Cymru's Board Bank), and voted on by existing trustees following an informal group meet and greet.

**Additional information: wider networks**

G39 has a good working relationship with Arts Council of Wales and is a member of numerous arts-related organisations including Visual Arts Group Wales, Disability Arts Wales and Arts & Business Cymru. Each of these organisations broadly share g39's mission and aims either in part or wholly, and we enjoy constructive working relationships with them. Partnership working broadens our audiences, increases our capacity, and it's always enjoyable to join teams and work towards a single endeavour. Brokering a relationship that is both professional and suited to both sides can require significant negotiating skills, even when values are shared – but when we get it right the partnership serves to reiterate and confirm our own values, and reminds us about the importance of our work in a wider context.

## REFERENCE AND ADMINISTRATIVE DETAILS

<b>Name of the charity</b>	<b>G39</b>
<b>Charity registration number</b>	<b>1181492</b>
<b>Company registration number</b>	<b>03938363</b>
<b>Address</b>	Oxford Street Cardiff South Glamorgan CF24 3DT
<b>Trustees</b>	Hoodi Ansari Jo Corbett-Simmons Skuli Ingolfsson - resigned 13/11/20 Katie Haines Lisa Edgar-Lovett Anthony Shapland Chris Mooney-Brown
<b>Secretary</b>	Stefhan Caddick
<b>Key management personnel</b>	Anthony Shapland Chris Mooney-Brown
<b>Bankers</b>	Co-operative Bank
<b>Business Development</b>	Arts and Business Cymru
<b>Solicitors</b>	Geldards LLP Dumfries House Dumfries Place Cardiff CF10 3ZF
<b>Accountant</b>	Full Stop Accounts 67 Lakeside Drive Cardiff CF23 6DE

**Independent examiner**

Tina Jenkins CGMA  
19 Clos y Carw  
Llantwit Fadre  
CF38 2BP

## **RESPONSIBILITIES OF THE TRUSTEES**

The trustees (who are also directors of G39 for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant information of which the charitable company's independent examiner is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Charity's Trustees



Chris Mooney-Brown - Company Director  
15 July 2021



**G39 Charity Number 1181492**  
**Report of the Independent Examiner to the Trustees**

I report on the accounts of the company for the year ended 31 December 2020, which are set out on the following pages.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 145 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Chartered Institute of Management Accountants

It is my responsibility to:

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

**Basis of independent examiner's statement**

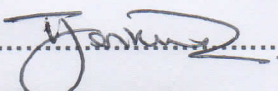
My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures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

**Independent examiner's statement**

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- \* the accounting records were not kept in accordance with section 130 of the Charities Act; or
  - \* the accounts did not accord with the accounting records; or
  - \* the accounts did 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.

Signed:  .....

Date: 23.8.2021

**Tina Jenkins CGMA**

**Chartered Management Accountant**

19 Clos y Carw  
Llantwit Fardre, CF38 2BP

# Statement of financial activities for the year ended 31 December 2020

(including summary income and expenditure account)

	Unrestricted funds £	Restricted income funds £	Total funds £	Year to 31 December 2019 £
<b>Income (Note 3)</b>				
<b>Income and endowments from:</b>				
Donations and legacies	160,909	110,662	271,571	241,038
Charitable activities	2,718	-	2,718	5,975
Other Income sources	4,576	-	4,576	14,942
<b>Total</b>	<b>168,203</b>	<b>110,662</b>	<b>278,865</b>	<b>261,955</b>
<b>Expenditure (Notes 6)</b>				
<b>Expenditure on:</b>				
Raising funds	1,480	-	1,480	1,949
Charitable activities	39,942	110,662	150,604	192,797
Other	71,545	-	71,545	63,179
<b>Total</b>	<b>112,967</b>	<b>110,662</b>	<b>223,629</b>	<b>257,925</b>
<b>Net income/(expenditure)</b>	<b>55,236</b>	<b>-</b>	<b>55,236</b>	<b>4,030</b>
<b>Net movement in funds</b>	<b>55,236</b>	<b>-</b>	<b>55,236</b>	<b>4,030</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	11,945	-	11,945	7,915
<b>Total funds carried forward</b>	<b>67,181</b>	<b>-</b>	<b>67,181</b>	<b>11,945</b>

## Balance sheet at 31 December 2020

	Unrestricted funds £	Restricted income funds £	Total at 31 December 2020 £	Total at 31 December 2019 £
<b>Fixed assets</b>				
<b>Tangible assets</b>				
(Note 10)	24,947	-	24,947	21,281
<b>Total fixed assets</b>	24,947	-	24,947	21,281
<b>Current assets</b>				
<b>Debtors</b>				
(Note 11)	27,286	-	27,286	36,477
<b>Cash at bank and in hand</b>				
(Note 13)	88,699		88,699	4,158
<b>Total current assets</b>	115,985	-	115,985	40,635
<b>Creditors: amounts falling due within one year</b>				
(Note 12)	- 67,276	- -	67,276 -	39,943
<b>Net current assets/ (liabilities)</b>	48,709	-	48,709	692
<b>Creditors: amounts falling due after one year</b>				
(Note 12)	- 6,475	-	6,475 -	10,028
<b>Total net assets or liabilities</b>	67,181	-	67,181	11,945
<b>Funds of the Charity</b>				
<b>Restricted income funds</b>				
(Note 14a)		46,934	46,934	-
<b>Unrestricted funds</b>	20,247		20,247	11,945
<b>Total funds</b>	20,247	46,934	67,181	11,945

The company was entitled to exemption from audit under s477 of the Companies Act 2006 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 Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

Signed by trustee on behalf of all the trustees

Print Name

Date of approval



Chris Mooney-Brown

06/09/2021

## **Note 2                      Accounting policies**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS102 and the charities SORP FRS102 the restatement of comparative items was required.

No restatements were required.

### **Recognition of income**

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources;
- the monetary value can be measured with sufficient reliability.

### **Offsetting**

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

### **Grants and donations**

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP).

In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).

### **Government grants**

The charity has received government grants in the reporting period.

### **Tax reclaims on donations and gifts**

The charity claimed for gift aid during the year and this amount has been included within donations and gifts under unrestricted income in the SOFA in the period in which it relates.

### **Donated services and facilities**

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.

### **Support costs**

The charity has incurred expenditure on support costs.

### **Volunteer help**

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report if applicable.

### **Income from interest, royalties and dividends**

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

### **Income from membership subscriptions**

Membership subscriptions received in the nature of a gift are recognised in Donations and Legacies if applicable.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

### **Liability recognition**

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

### **Governance and support costs**

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

### **Redundancy cost**

The charity did not make redundancy payments during the reporting period.

**Deferred income**

Deferred income relates to funding income received in advance for projects during the next financial year.

**Creditors**

The charity has creditors which are measured at settlement amounts less any trade discounts

**Provisions for liabilities**

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date

**Basic financial instruments**

The charity accounts for basic financial instruments on initial recognition as per paragraph 10.7 FRS102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS102 SORP.

**Tangible fixed assets for use by charity**

These are capitalised if they can be used for more than one year, and cost at least £100.

They are valued at cost.

The depreciation rates and methods used are disclosed in note 10.

**Debtors**

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

## Notes to the Accounts

### Note 3

### Income - for the year to 31 December 2020

	Analysis of income	Unrestricted funds	Restricted income funds	Total funds	Year to 31 December 2019
				£	£
<b>Donations and legacies:</b>	Donations and gifts	1,780	-	1,780	3,737
	Government Grants	159,129	43,493	202,622	
	Grants provided other charities	-	67,169	67,169	237,301
	<b>Total</b>	160,909	110,662	271,571	241,038
<b>Charitable activities:</b>	Workshop and Hire of Space	2,718	-	2,718	5,975
	<b>Total</b>	2,718	-	2,718	5,975
<b>Other Income Sources</b>	Parking and research surveys	2,283		2,283	4,003
	Galleries and Museums Tax Relief	2,293	-	2,293	10,939
	<b>Total</b>	4,576	-	4,576	14,942
<b>TOTAL INCOME</b>		<b>168,203</b>	<b>110,662</b>	<b>278,865</b>	<b>261,955</b>

**Note 4****Analysis of receipts of government grants**

		Year to 31 December 2020	Year to 31 December 2019
		£	£
<b>Government grant</b>	<b>Description</b>		
	Arts Council Wales	108,101	70,220
	Arts Council Wales Lottery Funded	69,521	72,979
	Cardiff Council	25,000	-
<b>Total</b>		<b>202,622</b>	<b>143,199</b>

**Note 5      Donated goods, facilities and services**

	Year to 31 December 2020	Year to 31 December 2019
	£	£
<b>Training services donated</b>	-	8,800
	-	8,800



**Note 6****Expenditure**

	<b>Analysis of expenditure</b>	<b>Unrestricted funds</b>	<b>Restricted income funds</b>	<b>Total funds £</b>	<b>Year to 31 December 2019 £</b>
<b>Expenditure on raising funds</b>	Advertising, marketing, direct mail and publicity	1,480	-	1,480	1,949
	<b>Total expenditure on raising funds</b>	1,480	-	1,480	1,949
<b>Expenditure on charitable activities</b>	Creative and exhibition installation costs	-	67,102	67,102	94,680
	Other Direct Costs	-	-	-	13,208
	Staff Costs	39,942	43,560	83,502	84,909
	<b>Total expenditure on charitable activities</b>	39,942	110,662	150,604	192,797
<b>Other</b>	Depreciation	6,092	-	6,092	5,291
	Legal Professional and Consulting Fees	18,014	-	18,014	8,487
	General Administrative	12,173	-	12,173	8,965
	Establishment Expenses	35,266	-	35,266	40,436
	<b>Total other expenditure</b>	71,545	-	71,545	63,179
<b>TOTAL EXPENDITURE</b>		<b>112,967</b>	<b>110,662</b>	<b>223,629</b>	<b>257,925</b>

**Note 7 Fees for examination of the accounts**

	Year to 31 December 2020 £	Year to 31 December 2019 £
Independent examiner's fees	600	600

**Note 8 Paid employees****8.1 Staff Costs**

	Year to 31 December 2020 £	Year to 31 December 2019 £
Salaries and wages	81,064	81,941
Employers National Insurance	1,114	1,612
Pension costs (defined contribution pension plan)	1,324	1,357
<b>Total staff costs</b>	<b>83,502</b>	<b>84,910</b>

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000.

**Key Management Personnel**

The key management personnel of the charity are as detailed in the Trustees report. The total employee benefits (including salary, employers' national insurance, pension and benefits in kind) of the key management personnel of the charity were £46,642 (2019: £43,654).

8.2 Average head count in the year	Year to 31 December 2020 Number	Year to 31 December 2019 Number
Charitable Activities	5	5
<b>Total</b>	<b>5</b>	<b>5</b>

## **Note 9                      Defined contribution pension scheme**

Amount of contributions recognised in the SOFA as an expense £1,324 (2019: £1,357). The charity operates a defined contribution pension scheme for staff. The assets of the scheme are held separately from those of the charity. The contributions are charged to the income and expenditure account and allocated between unrestricted and restricted funds where applicable.

## **Note 10                      Tangible fixed assets**

### **10.1 Cost**

	<b>Leasehold improvements and equipment £</b>	<b>Total  £</b>
At 31 December 2019	99,944	99,944
Additions	9,758	9,758
At 31 December 2020	<u>109,702</u>	<u>109,702</u>

### **10.2 Depreciation and impairments**

	<b>Basis Rate</b>	<b>Straight Line 20% p.a.</b>	
At 31 December 2019		78,663	78,663
Depreciation		6,092	6,092
At 31 December 2020		<u>84,755</u>	<u>84,755</u>

### **10.3 Net book value**

Net book value at 31 December 2019	21,281	21,281
Net book value at 31 December 2020	24,947	24,947

## **Note 11                      Debtors and prepayments**

### **11.1 Analysis of debtors**

	<b>31 December 2020 £</b>	<b>31 December 2019 £</b>
Trade debtors	620	-
Prepayments and accrued income	24,372	25,538
Corporation Tax Asset	2,294	10,939
<b>Total</b>	<u>27,286</u>	<u>36,477</u>

## Note 12 Creditors and accruals

### 12.1 Analysis of creditors

Amounts falling due within one year		
	31 December 2020	31 December 2019
	£	£
Trade creditors	11,866	23,841
Accruals	1,500	8,168
Deferred Income: Government grants for use within one year	50,486	3,552
Taxation and social security	3,087	3,962
Other creditors	337	420
<b>Total</b>	<b>67,276</b>	<b>39,943</b>

Amounts falling due after one year		
	31 December 2020	31 December 2019
	£	£
Deferred Income: Government grants for use after one year and within 5 years	6,475	10,028

### 12.2 Deferred income

<i>Movement in deferred income account</i>	31 December 2020	31 December 2019
	£	£
Balance at the start of the reporting period	13,580	14,044
Amounts added in current period	46,933	27,777
Amounts released to income from previous periods	- 3,552	- 14,044
<b>Balance at the end of the reporting period</b>	<b>56,961</b>	<b>27,777</b>

Deferred income relates to funding income received in advance for projects over the next financial years. These are noted as follows:

Freelands Foundation	£1,177
Arts Council Wales Lottery Grant	£45,757
ACW Capital Grant	£10,027

## Note 13 Cash at bank and in hand

	31 December 2020	31 December 2019
	£	£
Cash at bank and on hand	88,699	4,158
<b>Total</b>	<b>88,699</b>	<b>4,158</b>

**Note 14****Charity funds****Details of material funds held and movements during the current reporting period**

<b>Fund names</b>	<b>Purpose and Restrictions</b>	<b>Fund balances brought forward £ 31 Dec 2019</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers between funds</b>	<b>Fund balances carried forward £ 31 Dec 2020</b>
<b>Restricted Funds</b>						
The Freelands Foundation	Fellowship programme	-	64,169	-	64,169	-
Simon Gibson Trust	20/21 programme		3,000	-	3,000	
Arts Council Wales Lottery Funding	Support of Artist Fees, G39 Exhibition and Training Programmes	-	43,493	-	43,493	-
<b>Total Restricted Funds included in SOFA</b>			<b>110,662</b>	<b>-</b>	<b>110,662</b>	<b>-</b>
<b>Restricted Funds - Deferred:</b>						
Freelands Foundation	Artist fees & Fellowship programme				1177	<b>1177</b>
Arts Council Wales Lottery Grant	Core Programme 20-21				45757	<b>45757</b>
<b>Total Restricted Funds included in Balance Sheet funds</b>					<b>46934</b>	<b>46934</b>
<b>Unrestricted Funds - all donations for general charitable activities</b>						
To G39 Designated Reserves		-	-	-	25,000	25,000
General funds from donations, Cardiff Council, ACW, tax reliefs, interest and charitable activities		11,945	168,203	-	112,967 - 71,934	4,753
<b>Total Funds as per balance sheet</b>			<b>11,945</b>	<b>278,865</b>	<b>-</b>	<b>223,629 - 46,934</b>
						<b>67,181</b>

**Note 14 Charity funds****Details of material funds held and movements during the current prior period  
Year to December 2019**

<b>Fund names</b>	<b>Purpose and Restrictions</b>	<b>Fund balances brought forward £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Fund balances carried forward £</b>
<b>Restricted Funds</b>					
The Freelands Foundation	Fellowship programme	-	94,147	- 94,147	-
Arts Council Wales Lottery Funding	Support of G39 Exhibition and Training Programmes	-	68,584	- 68,584	-
Arts Council Wales Capital Grant	Capital Purchases		3,850	- 3,850	
The British Council	Support of G39 Exhibition Programmes	-	500	- 500	-
<b>Unrestricted Funds - all donations for general charitable activities</b>					
Arts Council Wales		-	70,220	- 70,220	-
Other funds from donations, tax reliefs, interest and charitable activities		7,915	24,654	- 20,624	11,945
<b>Total Funds as per balance sheet</b>		<b>7,915</b>	<b>261,955</b>	<b>- 257,925</b>	<b>11,945</b>

**Note 15 Transactions with trustees and related parties****Trustee remuneration and benefits**

During the year, none of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

## **Chartered Accountants' Report to the Board of Trustees**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of G39 for the year ended year 31 December 2020, which comprise the Income and Expenditure Account, the Balance Sheet, and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Chartered Institute of Management Accountants, we are subject to its ethical and other professional requirements which are detailed at <http://www.cimaglobal.com>.

This report is made to the Board of Trustees of G39 in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of G39 and state those matters that we have agreed to state to the Trustees in this report in accordance with the requirements of the Chartered Institute of Management Accountants as detailed at <http://www.cimaglobal.com>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its director for our work or for this report.

It is your duty to ensure that G39 has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of G39. You consider that G39 is exempt from the statutory audit requirement for the year.



Full Stop Accounts  
67 Lakeside Drive  
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Date 19th August 2021