

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
31st December 2022**

Contents

Report of the Trustees	2
Report of the Independent Examiner	17
Statement of Financial Activities	18
Balance Sheet	19
Notes to the Financial Statements	20
Chartered Accountants Report	32



Trustees' Annual Report

Accounting period: 1st January 2022 to 31st December 2022

Reference and Administrative details

Charity name g39

Charity registration number 1181492

Charity's principal address G39 Oxford St, Cardiff CF24 3DT

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 the past three years we have seen some of the most significant changes in that landscape that we are likely to see in a lifetime.

In 2021 we g39 made **socio-economic disadvantage a central theme in our programming and operations** and secured funds from two sources, including from Art Fund, for activity that addresses socio-economic disadvantage through research, testing and implementation of schemes and programmes. The activity supported by Art Fund began in 2022 and the projects are due to continue until December 2023. .

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 a future where visual art practice is accessible to all regardless of background or circumstances. It is a society in which visual art and culture are resourced and supported as a right, and as a means to understand the cultural values of Wales.

We are pleased that our vision is supported by a growing consensus within Wales that the arts can foster and nurture both individual psychological resilience and community resilience. At the core of our conviction 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: our creative agility as a nation will influence the perception of Wales as a healthy, prosperous, equal and resilient country, both within our borders and internationally.

g39's work is a crucial contributor to the arts ecology in Wales. We are:



- 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 carry out those objectives via the following core activities:

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

Those 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

Trustee statement

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. *“At a time when artists, global majorities, 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 message counters the perception that artists come from ‘elsewhere’, and we strive to demonstrate how artists should be seen as belonging to their communities, societies, nations, by advocating for artists as valuable agents of change within their communities.

In 2022 we worked with partnership funding from Jerwood Arts to run the **UNITe Residency**, which supported 5 artists from diverse groups to develop and test ideas in a shared studio setting. The accompanying programme of mentoring, talks and workshops was designed to offer further professional development. The artists were also offered pastoral support and life coaching sessions. At the end of the residency period, a **public Open Studios event** presented studio work in progress and allowed audiences rare insight into the behind the scenes processes involved in creating contemporary visual art. The opportunity for the public to gain this kind of insight is an important aspect of our work towards bridging the gap between audiences and contemporary art practice.

Jerwood Arts funding also supported a **paid Internship** associated with the UNITe residency. The Internship provided an early career professional with training, mentorship and hands-on experience of working within an arts organisation. g39 has provided a paid internship opportunity continuously for the past 15 years. We have seen those interns go on to work in many roles within the arts, contributing to best practice, public accessibility and creative excellence enhancing the experience of audiences in Wales.

The **g39 Fellowship**, funded through a partnership with Freelands Foundation, alongside equivalent initiatives in Belfast, Edinburgh and Sheffield, continued in 2022 with 5 artists taking part in a structured programme of studio practice, professional development and self-directed research at g39 over a period of two years with financial support. The programme is unique in Wales and complements the ongoing support g39 offers artists in Wales. The general public are given the chance to see the result of some of that investment in artists through **2 exhibitions**, one organised by Freelands Foundation at their London venue and the other organised by g39 in Cardiff.

During 2022 g39 also presented **3 exhibitions** in our gallery, including commissions for 5 artists and a short residency for 1 artist creating experimental new work. The exhibitions attracted wide ranging audiences through an offer including playful interactive content, performance, social events and work communicating diverse perspectives.

The professional development programme that ran through the year brought in 38 artists and curators to help us deliver the programme, contributing £9,500 towards the Arts sector economy.

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



Following the successful implementation of g39's Positive Action approach to its offer of commissions and residencies in 2020, we continue to apply this to our open calls and opportunities offered during 2022. Positive Action enables us to further increase the diversity of the artists supported and featured in g39's programmed content. It 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..

The Jerwood UNITE residency was selected to include at least two ringfenced spaces for artists of colour. We saw **an increase of 5% in applications from artists of colour** in this round compared to the previous year.

Our events have continued to promote inclusivity and wider engagement, ensuring schemes and resources are accessible to minoritised groups. During 2022, in **partnership with Disability Arts Cymru, delivered their *Creativity is Mistakes* project**, a multi-year project of in-depth mentoring and support for artists supported by Arts Council of Wales's *Connect & Flourish* scheme.

We looked at how g39 can best support individuals, artists and staff as they experience additional new challenges. Staff continued to receive training to pay special attention to the mental health and wellbeing of our constituents.

Our data collection from the period indicates that a third of g39's events during the year were delivered by or targeting people with protected characteristics (these were mainly BME groups and disabled people); and a third of featured artists were from diverse backgrounds. The diversity of our casual audiences and participants is more difficult to gauge because we don't collect data from them as comprehensively, but we estimate that a fifth of the people we connect with via our activities belong to a protected characteristic group.

Working with artists and curators to deliver **more than 20 talks and workshops** our Public Programme has attracted around 400 beneficiaries across the year. In addition, our **exhibitions, events and newsletters have reached more than 2400 people**, bringing them together with contemporary visual art and connecting them with the information, opportunities and networks that enhance their experiences, build knowledge and increase confidence in pursuing their interest in the arts.

Exhibitions such as *tibrO yalP*, a show featuring 4 artist commissions, centred around play of all kinds; play as a political tool, in opposition to 'work', play where it is not viewed instrumentally as an early-years vehicle to learning that we're encouraged to eventually set aside. This exhibition's theme and interactive content drew **new multi-generational audiences to our gallery**. Children, parents and grandparents participated and there was an energetic social atmosphere to the launch event. *tibrO yalP* was the first in a series of commissions in collaboration with existing groups, initiatives, schools and sculptors to expand and change the attendance and use of the gallery.

Summary of targets and performance

Aim	Activity	Target	Performance
To increase the programme's inclusivity and accessibility for audiences	Create events that are accessible for a wider range of audiences	Deliver 4 daytime previews and 4 daytime events within g39's programme	<p>We held 1 daytime workshop and breakfast club event hosted by Ruth Fabby (DAC) and Fran Flaherty (Dyer centre for the advancement of Deaf culture, NY). We ran two workshops with Delphi Campbell.</p> <p>We held 1 daytime exhibition preview (<i>tibrO yalP</i> daytime launch) and 1 daytime screenprinting workshop for Criw Celf members - young people aged 16 - 18 - with artist Shaun James).</p> <p>We held 1 daytime preview (for the UNITe residency closing event).</p>
To increase access and inclusion targeted toward socio-economic inequality	Help build knowledge and skills that support people with low income.	Deliver 2 free workshops and create free resources about using freeware in artist practice (design/ film/ music)	<p>We delivered 1 Zine making workshop and resources as part of Aildanio. An accessible version of the first resource is in production.</p> <p>We invited Nic Finch to deliver two workshops about using freeware in artistic practice. Nic has been commissioned to</p>



			create accompanying resources that g39 will publish for free, for people who didn't attend the workshops.
Address underrepresentation in the visual arts	Ring fence places for underrepresented artists within our residency schemes.	Support 9 underrepresented artists in g39's studio residency schemes (Jerwood UNITE, Fellowship)	<p>Five underrepresented artists undertook the UNITE residency and four artists (of eleven) being supported via the Fellowship are from underrepresented groups.</p> <p>In addition to the fellowship and UNITE targets, we supported a further 15 artists through the Creativity Is Mistakes mentoring programme</p>
To bring art and artists into more people's lives	Programme a diverse range of accessible exhibitions	Present 5 exhibitions within g39's programme	<p>We have presented the <i>Aildanio</i> exhibition for the DAC Art Prize, which included the work of 27 artists. The show is now touring venues across Wales.</p> <p>Artists shortlisted for the <i>Jarman Award 2022</i> had their work featured in the g39 Cinema and website.</p> <p>We have presented two further exhibitions: <i>tibrO yalP</i> and Kath Ashill's solo exhibition <i>Principal Boy</i> (Ft. Len Blanco & Megan Winstone) and working with</p>



			<p>Common Wealth, Llanrumney. Both exhibitions broadened g39's audiences and engaged groups who are not regular exhibition attendees.</p> <p>We presented an exhibition at the culmination of the Jerwood UNITE studio residency.</p>
<p>A diverse programme Continuing our commitment to disabled and d/Deaf artists and audiences.</p>	<p>Ensure that our programme is inclusive of disabled and d/Deaf artists and audiences</p>	<p>17% of our public talks and 1-2-1 sessions will be delivered by disabled and Deaf artists/trainers (7 of 42 sessions) We will deliver 12 mentor sessions to five disabled and d/Deaf artists via DAC's Creativity is Mistakes mentoring programme</p>	<p>Artist Delphi Campbell delivered a Situated Psychogeography workshop and a Zine making workshop. Fran Flaherty, director of Dyer Arts Center for the advancement of deaf culture at Rochester, NY and Ruth Fabby gave a Breakfast Club talk during the Aildanio exhibition.</p> <p>Filmmaker Jay Bedwani gave a talk about his work and processes.</p> <p>Kath Ashill and Helen Starr (The Mechatronic Library) recorded an in-conversation for broadcast.</p> <p>Hannah Wallis, a profoundly deaf artist, and Stephen Sutcliffe who is registered</p>



			<p>disabled, both delivered online 1-2-1 portfolio sessions with this year's UNITE artists.</p> <p>Our talks programme included April Lin林森 and a screening of the Selected 12 programme of films that have a focus on Neurodiverse filmmakers.</p> <p>A review of marketing and online working was commissioned from Joshua Jones, who identifies as working class, queer and neurodiverse.</p> <p>We hosted a live discussion event with Dolly Sen and Caroline Cardus, and a screening of Dolly's short film <i>Broken Hearts for the DUP</i>. The event was a blended IRL-online, with 28 attendees (12 IRL and 16 online)</p> <p>Four group mentoring sessions have been delivered to 4 artists and Two one-to-one sessions have been delivered as part of Creativity is Mistakes.</p>
--	--	--	---



			<p>Three members of the current Fellowship intake are also receiving longer term mentoring.</p> <p>We are hosted a discussion event by Amanda Wells.</p>
Increase the use of Welsh in our programmes and promote the Welsh language	Include original Welsh Language texts in our programme	Undertake 3 new commissions that are originating in Welsh (text and / or spoken) within the exhibition programme	<p>New texts were produced by Sara Louise Wheeler as part of the Aildanio exhibition. In addition, she generated Welsh language audio guides.</p> <p>For the handout essay with Principal Boy, Dylan Huw was invited to respond to the exhibition, an essay in Welsh was translated into English for the exhibition.</p>



Financial Review

G39's financial position

G39's total income in the last financial year (Jan-Dec 2022) was £379,317 and our total expenditure was £315,023

Amount of reserves held

On 31 Dec 2022 our reserves position was £159,599 (£79,317 restricted and £80,283 unrestricted)

Reserves policy

g39 takes a resilience-oriented approach toward reserves designed to provide the ability to continue with our work through periods of lower funding and revenue or higher costs than planned. We want to ensure that we have the ability to invest in future opportunities, people and research and that we can develop and innovate within the sector.

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.

To allow for succession planning and development of the organisation and its financial stability the focus of g39 in the coming years is to consolidate funding streams and this formed the rationale of our Arts Council of Wales Investment Review proposal. The outcome will be known in late 2023. Until that time we believe g39's reserves is best utilised as a financial buffer for retaining key staff in the event of fluctuating project funds being insufficient to cover core costs, or our fundraising efforts not being 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 is experienced in responding to sea-changes in policy, funders' priorities and available financial resources. The way that g39 has operated in the past, through necessity, makes financial management a complex process that navigates a number of project funding streams. This period addresses our longer-term goal, to address the capacity of the organisation and consolidate core costs.

G39 operates with a mixture of funding streams, several of which are administered by the Arts Council of Wales (including, currently, 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 23% or £84,840 was budgeted for Jan-Dec 2022). In 2019 we secured £62,430 from Jerwood Arts to run a two year studio residency scheme for artists, particularly those facing barriers to pursuing a visual arts practice. The programme start was delayed by Covid. The second year of the residency was held in 2022 with an allocated budget of £32,215.

Core funds

Current levels of portfolio funding were established by the Arts Council of Wales thirteen years ago, in 2010. However, our core costs (and project costs) have increased substantially. Following our relocation to our current premises in 2011, we are able to develop plural strands of our current programme and make changes in accessibility for audiences and to increase support for artists. In those years of transformation there has been no change financially – in actual or inflationary terms – in the level of portfolio funding support from the Arts Council of Wales. As a result, a mosaic of funding from multiple sources contributes to core operating costs. While this demonstrates our potential for innovative and far-reaching work and success in fundraising to secure core costs diverse sources, it also presents problems. Often these partnership projects demand increased output - thus growing this core operating cost and overstressing workforce capacity.

Our focus for the years ahead is to stabilise core funding through longer term funding partnerships.

Earned income and trading 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 specified that non-taxable trading may include activity that "helps your charity's primary purpose" and gives examples of a college selling students text books or a museum running a cafe for visitors.

We are building on existing income streams and plan to develop new ones that help g39's primary purpose.

Our current trading situation does not warrant a trading arm, and is unlikely to in the near future. 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, which grants tax exemption on any profits up to the value of 25% of g39's turnover.

In 2022 we saw a **58% increase in income** from car parking hires compared with 2021 figures taking the income back to levels similar to pre-covid amounts. We also saw a **doubling in sales** from our refreshments bar at events.

Donations In 2021 we implemented a new digital infrastructure to support fundraising and core messaging. Since then we have been trialling Donorfy as g39's new CRM. Donorfy manages g39's online donations via a dedicated page on the website, and submits related Gift Aid and GASDS claims to HMRC. We also receive contactless donations via a GoodBox tap to donate device installed at the front desk.

In 2022 donations went down 36% on levels in the previous year and fell far short of



our targets. This may be due to several factors, the most significant being a reduction in staff capacity from August 2022, which affected our capacity for communications, and the cost of living crisis, which may have affected the amounts our supporters were able to donate.

We will review these systems in the year ahead with a view on a balance between efficiency and cost and taking account of staff capacity being reinstated to previous levels.

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

Funding and financial

- G39 loses its place in Arts Council of Wales' portfolio in the 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

- Staff burnout and low morale due to low capacity
- Loss of expertise if a long-standing member of staff leaves the organisation

Programme and activities

- Programme currently heavily reliant on project funding – resources in sharp decline

Reputation and people (audiences, artists)

- Negative perceptions of contemporary arts generally prevent people engaging with g39
- Scaling up compromises what's special about g39

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 we have also used a pairing scheme, Arts & Business Cymru's Board Bank. New trustees are 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



CHARITY COMMISSION
FOR ENGLAND AND WALES

numerous arts-related organisations including Visual Arts Group Wales and Disability Arts 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.



Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Hoodi Ansari	Chair		
2	Jo Corbett-Simmons			
3	Katie Haines			
4	Monique Jivram		June 2022 - date	
5	Grace Todd		June 2022 - date	
	Mel Brimfield		June 2022 - date	
	Bex Betton		June 2022 - date	
	Natasha Morley		June 2022 - date	
	Ruth Pelopida		June 2022 - date	
6	Anthony Shapland	Creative Director		
7	Cinzia Mutigli	Chief Executive Officer	August 2022 - date	

Corporate trustees – names of the directors at the date the report was approved

Director name		
Anthony Shapland	08/09/2023	
Cinzia Mutigli	08/09/2023	



Names and addresses of advisers

We have been fortunate in the support we have received from our allies over the last year, the skills and experiences of a variety of voices have contributed to our work. We have been able to take substantial steps forward in our development, thanks to Arts & Business Cymru's Skills for Success scheme and Art Fund's Re:Imagine scheme.

Type of adviser	Name	Address
Business development	Arts & Business Cymru	16 Museum Place, Cardiff CF10 3BH
Financial	Full Stop Accountants	25 Pen-y-Lan Road, CARDIFF, CF24 3PG

Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature

Full name Cinzia Mutigli

Position Chief Executive Officer

Date 05th July 2023

Report of the Independent Examiner to the Trustees

I report on the accounts of the company for the year ended 31 December 2022, on the following papers.

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 144 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 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: 25-8-2023

Tina Jenkins

Chartered Management Accountant

19 Clos y Carw
Llantwit Fardre, CF38 2BP

Statement of financial activities for the year ended 31 December 2022

(including summary income and expenditure account)

	Unrestricted funds £	Restricted income funds £	Total funds Year to 31 December 2022 £	Year to 31 December 2021 £
Income (Note 3)				
Income and endowments from:				
Donations and legacies	75,632	274,305	349,936	325,302
Charitable activities	3,549	-	3,549	4,544
Other Income sources	25,832	-	25,832	19,022
Total	105,013	274,305	379,317	348,868
Expenditure (Note 6)				
Expenditure on:				
Raising funds	374	2,128	2,502	3,735
Charitable activities	50,080	147,907	197,987	225,104
Other	71,214	43,321	114,535	91,905
Total	121,667	193,356	315,023	320,744
Net income/(expenditure)	- 16,655	80,949	64,294	28,124
Net movement in funds	- 16,655	80,949	64,294	28,124
Reconciliation of funds:				
Total funds brought forward	95,305	-	95,305	67,181
Total funds carried forward	78,650	80,949	159,599	95,305

Balance sheet at 31 December 2022

	Unrestricted funds £	Restricted income funds £	Total at 31 December 2022 £	Total at 31 December 2021 £
Fixed assets				
Tangible assets				
(Note 10)	9,022	-	9,022	18,347
Total fixed assets	9,022	-	9,022	18,347
Current assets				
Debtors				
(Note 11)	44,239	-	44,239	37,196
Cash at bank and in hand				
(Note 13)	51,415	79,317	130,731	113,269
Total current assets	95,653	79,317	174,970	150,465
Creditors: amounts falling due within one year				
(Note 12)	- 24,393	- -	24,393 -	70,584
Net current assets/ (liabilities)	71,260	79,317	150,577	79,881
Creditors: amounts falling due after one year				
(Note 12)	-	-	- -	2,923
Total net assets or liabilities	80,283	79,317	159,599	95,305
Funds of the Charity				
Restricted income funds				
(Note 14a)		79,317	79,317	53,654
Unrestricted funds	80,283		80,283	41,651
Total funds	80,283	79,317	159,599	95,305

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



Cinzia Mutigli

07/09/2023

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 2022

Analysis of income		Unrestricted funds	Restricted income funds	Total funds	Year to 31 December 2021
				£	£
Donations and legacies:	Donations and gifts	290		290	272
	Government Grants (Note 4)	75,342	84,330	159,672	218,999
	Grants provided other charities	-	189,975	189,975	106,031
	Total	75,632	274,305	349,936	325,302
Charitable activities:	Workshops and Hires	3,549	-	3,549	4,544
	Total	3,549	-	3,549	4,544
Other Income Sources	Other sales	6,469	-	6,469	3,852
	Galleries and Museums Tax Relief	19,363	-	19,363	15,170
	Total	25,832	-	25,832	19,022
TOTAL INCOME		105,013	274,305	379,317	348,868

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

		Year to 31 December 2022	Year to 31 December 2021
		£	£
Government grant	Description		
	Arts Council Wales		
	CRF Fund	22,330	89,126
	Arts Council Wales		
	Revenue Fund	75,342	74,544
	Stabilisation Fund		
	Grant Income		
	Arts Council Wales		
	Lottery Funded	62,000	50,329
	Arts Council Wales		
	Cardiff Council		5,000
Total		<u>159,672</u>	<u>218,999</u>

Note 5 Donated goods, facilities and services

There were no donated goods, facilities or services during the year or in the previous year.

Note 6
Expenditure

	Analysis of expenditure	Unrestricted funds	Restricted income funds	Total funds year to December 2022 £	Year to 31 December 2021 £
Expenditure on raising funds	Advertising and marketing	374	2,128	2,502	3,735
	Total expenditure on raising funds	374	2,128	2,502	3,735
Expenditure on charitable activities	Creative and Exhibition Costs	2,525	112,929	115,454	114,905
	Staff Costs	47,555	34,978	82,533	110,199
	Total expenditure on charitable activities	50,080	147,907	197,987	225,104
Other	Depreciation	9,325	-	9,325	9,171
	Professional and Consulting Fees	8,610	415	9,025	15,562
	General Administrative	8,514	3,791	12,305	10,063
	Travel and Transport	-	20,141	20,141	19,828
	Establishment Expenses	44,765	18,974	63,739	37,281
	Total other expenditure	71,214	43,321	114,535	91,905
TOTAL EXPENDITURE		121,667	193,356	315,023	320,744

Note 7 Fees for examination of the accounts

	Year to 31 December 2022 £	Year to 31 December 2021 £
Independent examiner's fees	600	600

Note 8 Paid employees**8.1 Staff Costs**

	Year to 31 December 2022 £	Year to 31 December 2021 £
Salaries and wages	79,856	101,289
Employers National Insurance	1,184	6,920
Pension costs (defined contribution pension plan)	1,494	1,991
Total staff costs	82,534	110,200

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 £49,617.94 (2021: £64,296).

8.2 Average head count in the year	Year to 31 December 2022 Number	Year to 31 December 2021 Number
Charitable Activities	5	6
Total	5	6

Note 9 Defined contribution pension scheme

Amount of contributions recognised in the SOFA as an expense £1,494 (2021: £1,991). 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

	Leasehold improvements and equipment £	Total £
At 31 December 2021	112,271	112,271
Additions		-
At 31 December 2022	112,271	112,271

10.2 Depreciation and impairments

	Basis Rate	Straight Line 20% p.a.	
At 31 December 2021		93,924	93,924
Depreciation		9,325	9,325
At 31 December 2022		103,249	103,249

10.3 Net book value

Net book value at 31 December 2021	18,347	18,347
Net book value at 31 December 2022	9,022	9,022

Note 11 Debtors and prepayments

11.1 Analysis of debtors

	31 December 2022 £	31 December 2021 £
Trade debtors	1,681	783
Prepayments and accrued income	24,265	21,243
Corporation Tax Asset	18,293	15,170
Total	44,239	37,196

Note 12 Creditors and accruals

12.1 Analysis of creditors

	Amounts falling due within one year	
	31 December 2022	31 December 2021
	£	£
Trade creditors	6,545	763
Accruals	12,832	6,930
Deferred Income: Grants for use within one year	2,923	57,206
Taxation and social security	1,613	5,230
Other creditors	480	455
Total	24,393	70,584

	Amounts falling due after one year	
	31 December 2022	31 December 2021
	£	£
Deferred Income: Government grants for use after one year and within 5 years	0	2,923

12.2 Deferred income

<i>Movement in deferred income account</i>	31 December 2022	31 December 2021
	£	£
Balance at the start of the reporting period	60,129	56,961
Amounts added in current period	0	53,654
Amounts released to income from previous periods	-57,206	-50,486
Balance at the end of the reporting period	2,923	60,129

Deferred income relates to ACW capital grant released over 5 years. Other funding income during the year for projects spanning years is detailed in Note 14.

Note 13 Cash at bank and in hand

	31 December 2022	31 December 2021
	£	£
Cash at bank and on hand	130,731	113,269
Total	130,731	113,269

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

Fund names	Purpose and Restrictions	Fund balances brought forward	Income	Expenditure	Transfers between funds	Fund balances carried forward
		£	£	£		£
Restricted Funds		31 Dec 2021				31 Dec 2022
The Freelands Foundation	Fellowship programme		96,093	-87,207		8,886
Jerwood Unite	Unite Studio Residency		43,482	-35,927		7,554
Arts Council Wales Lottery Funding	Support of Artist Fees, G39 Exhibition and Training Programmes		62,000	-54,126		7,874
ACW Cultural Recovery Fund			22,330	-6,293		16,037
ArtFund			40,500	-11,435		29,065
Cardiff Art Map			9,900	0		9,900
Total Restricted Funds included in SOFA			274,305	-194,988		79,317
Restricted Funds - Deferred:						
Freelands Foundation	Artist fees & Fellowship programme	3,450			-3,450	0
Jerwood Unite	Unite Studio Residency	27,874			-27,874	0
ACW Cultural Recovery Fund	Core costs and business development	22,330			-22,330	0
Arts Council Wales Lottery Grant	Core Programme 20-21	0			0	0
Total Restricted Funds included in Balance Sheet funds		53,654			-53,654	0
Unrestricted Funds - all donations for general charitable activities						
To G39 Designated Reserves		25,000			25,000	50,000
General funds from donations, Cardiff Council, ACW, tax reliefs, interest and charitable activities		16,651	104,991	-120,014	28,654	30,282
						80,282
Total Funds as per balance sheet		95,305	379,296	-315,002	0	159,599

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

Fund names	Purpose and Restrictions	Fund balances brought forward £ 31 Dec 2020	Income £	Expenditure £	Transfers between funds	Fund balances carried forward £ 31 Dec 2021
Restricted Funds						
The Freelands Foundation	Fellowship programme		87,083	-87,083		
Jerwood Unite	Unite Studio Residency		18,948	-18,948		
Arts Council Wales Lottery Funding	Support of Artist Fees, G39 Exhibition and Training Programmes		50,329	-50,329		
ACW Cultural Recovery Fund			89,126	-89,126		
Total Restricted Funds included in SOFA			245,486	-245,486		
Restricted Funds - Deferred:						
Freelands Foundation	Artist fees & Fellowship programme	1,177			2,273	3,450
Jerwood Unite	Unite Studio Residency				27,874	27,874
ACW Cultural Recovery Fund	Core costs and business development				22,330	22,330
Arts Council Wales Lottery Grant	Core Programme 20-21	45,757			-45,757	0
Total Restricted Funds included in Balance Sheet funds			46,934		6,720	53,654
Unrestricted Funds - all donations for general charitable activities						
To G39 Designated Reserves		25,000				25,000
General funds from donations, Cardiff Council, ACW, tax reliefs, interest and charitable activities		-4,753	103,382	-75,258	-6,720	16,651
Total Funds as per balance sheet		67,181	348,868	-320,744	0	95,305

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 2022, 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
Cardiff
CF23 6DE



Date

29/08/2023