

THE SAATCHI GALLERY, LONDON

England & Wales · Charity number 1182328

Details

Status Registered

Legal form CIO

Registered 2019-03-05

Register [View on the Charity Commission register](#)

Contact

Address Duke of York's HQ
King's Road
London
SW3 4SQ

Phone 02078113070

Email admin@saatchigallery.com

Website <https://www.saatchigallery.com/>

Activities

Objects: TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE ARTS, IN PARTICULAR (BUT WITHOUT LIMITATION) PAINTING, SCULPTURE AND OTHER VISUAL ARTS.

Activities: The Saatchi Gallery provides a platform for contemporary art, presenting work by largely unseen young artists or by international artists whose work has been rarely exhibited in the UK. These exhibitions are open to the general public via our gallery on the King's Road, London with further details on our website: <https://www.saatchigallery.com>

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£4,933,187	£7,161,741	£-3,577,842	49
2023-12-31	£8,653,849	£7,765,475	£-1,349,288	48
2022-12-31	£8,255,694	£3,489,707	£-2,237,662	30
2021-12-31	£2,890,898	£4,708,051	£-5,296,100	26
2020-12-31	£2,326,842	£4,794,492	£-3,478,947	29

Trustees

Name	Role	Appointed
JOHAN ELIASCH	Chair	2019-03-05
John Charles Goodchild		2024-08-30
Matthew James Owen		2024-08-15
ROBERT MAYNARD MCLAREN		2019-03-05

THE SAATCHI GALLERY, LONDON

England & Wales - Charity number 1182328

Accounts

SAATCHI GALLERY

TRUSTEES REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 DECEMBER 2024

Charity Registration Number: 1182328 (England & Wales)

CONTENTS

Trustees' Report	
Objectives & Activities	3
Financial Review	8
Structure, Governance & Management	11
Trustees' Responsibilities Statement	12
Reference & Administration	13
Independent Auditor's Report	15
Financial Statements	18

OBJECTIVES & ACTIVITIES

Since 1985, Saatchi Gallery has provided an innovative platform for contemporary art, presenting work by largely unseen young artists or by international artists whose work has been rarely exhibited in the UK. The Gallery has attracted tens of millions of visitors to its London premises, hosts thousands of school & community visitors each year and has built a social media following of millions worldwide.

In 2024, the Gallery continued with its strategy of presenting ticketed exhibitions alongside free-to-enter shows. Excepting art fairs, the Gallery permitted audiences to enter the Gallery for free throughout the year and to experience twenty free-to-enter exhibitions. These diverse presentations included group shows highlighting emerging talent; solo exhibitions by artists in the early stages of their careers; collaborations with commercial galleries; and projects designed to highlight social issues or creativity within marginalised communities. Of particular note in this last category was the *Homelessness: Reframed* exhibition. This project was a collaboration between Saatchi Gallery, Prince William's Homewards programme and Eleven Eleven Foundation. The exhibition included work by artists with direct experience of homelessness, and the output of nationwide workshops overseen by the Gallery's Learning team in conjunction with artists with lived experience, and participants connected to Homewards centres. The project was designed to encourage audiences to understand homelessness better and challenge some of their assumptions. The exhibition received national press coverage, large visitor numbers and high audience engagement.

Free-to-enter exhibitions included:

The Way of All Flesh, 13 Jan – 3 Mar, a group show of new talent curated by Delphian Gallery.

Everyday Monuments, 19 Jan – 10 Mar, works by three emerging artists selected by the Gallery team.

Sofia Laskari, 16 Mar, 12 May – a first solo exhibition for this winner of the Robert Walters UK New Artist Prize.

Standing on the Shoulders of Giants, 8 Mar – 12 May, a celebration of Dutch female contemporary artists.

Rong Bao is Me, 23 Feb – 12 May, a solo exhibition of wondrous works by the recent graduate Rong Bao.

Tom de Houwer, 23 May – 3 Jun, a floral art installation to coincide with Chelsea in Bloom.

How to Make a Head, 23 May – 8 Jun, a group show of new art from artists based in the UK.

Metamorphosis, 24 May – 28 Jul, works by four contemporary artists in the media of eco-conscious photography & film.

A Room with a View, 6 Jul – 10 Sep, works by Aida Mahmudova across one floor.

Homelessness Reframed, 7 Aug – 20 Sep, a project to showcase stories of homelessness with a view to effecting positive change.

Painting, Smoking, Eating, 2 Aug – 20 Sep, a group show of works curated by Kurt Beers gallery.

The Landscape Reimagined, 2 Aug – 20 Sep, a group show on international work organised by Kurt Beers.

Yoi, 2 Aug – 21 Sep, a showcase of work from the Munupi Arts & Crafts Association, Australia, organised by JGM Gallery.

Unreal City, 18 Oct – 17 Nov, a presentation of new abstract works curated by Dominic Beattie & Sam Cornish.

Samuel Nnorom, 19 Oct – 24 Nov, a solo exhibition for this Nigerian artist and previous winner of the M&C Art for Change Award.

The Walls Between Us, 17 Oct – 25 Nov, a group show of new works curated by SOTA Marketplace.

Philip Colbert Lobsterpolis, 29 Nov – 19 Jan, a flamboyant tour-de-force from this popular artist.

Jack Kabangu, 22 Nov – 20 Feb, a solo show of works by this African/Danish artist, curated by Kurt Beers.

M&C Art for Change Award 2024, 29 Nov – 4 Feb, featuring works by six regional winners from around the world.

Deborah Segun, 22 Nov – 20 Feb, Kurt Beers presented a solo exhibition of works by this Nigerian artist.

The Gallery presented six major exhibitions in 2024 with general admission by purchased ticket, and free entry to young children and all participants in our Learning programmes. The year started with two separate exhibitions on our upper floors which had opened in November 2023 under the umbrella of our *Season of Sculpture*. The second floor galleries hosted the showcase of sculptural works by female artists working in the UK since 1960 entitled *If Not Now, When?* This exhibition originated at The Hepworth, Wakefield and the Gallery worked with the curators at The Hepworth, Wakefield, and selected artists, to expand the presentation in London. Running concurrently on the first floor was *Christo & Jeanne-Claude: Boundless*, an exhibition of works by influential & inspirational artists rarely exhibited in the UK. The exhibition transferred to London from Kust Palast, Dusseldorf and received extremely good reviews and audience feedback.

In February, the Gallery opened its Spring exhibition *Burtynsky: Extraction / Abstraction* across our first and second floor galleries. This exhibition was the result of close collaboration with the artist and their studio, and constituted the inaugural presentation of a brand new retrospective of the career of the artist. The exhibition included large format photographs, detailed wall vinyl, an immersive cinema room with state-of-the-art projectors, and an AR installation. Themes related to the impact of human activity on the planet's eco-system and the sustainability of human lifestyles were addressed head-on with hugely positive feedback from visitors.

The Summer exhibition, *Beyond Fashion*, showcased the work of acclaimed fashion photographers from around the world and offered our audiences a vibrant experience through June, July and August. Running simultaneously for six weeks, the Gallery hosted the *RHS Botanical Art & Photography Show* on the ground floor. The two exhibitions jointly attracted an extremely diverse audience. In May, the Gallery also installed a garden at the Chelsea Flower Show. In 2024, we collaborated with the artist Zak Ové to present a garden featuring sculptural works by the artist, and planting that reflected on Zak's own heritage and how horticulture in the UK evidenced the impact of the transatlantic slave trade - and the exploitation and degradation of humans for profit.

In November 2024, the Gallery opened three exhibitions accessible under one competitively priced ticket. *As We Rise*, a collaboration with the Aperture Foundation, presented selected works from the Wedge Collection of Dr Kenneth Montague that explored experiences of African Diasporic culture in Europe and North America. The exhibition received 5-star reviews. A second exhibition adjacent to *As We Rise* featured the work of the London-based portrait and social-documentary photographer Aneesa Dawoojee. The exhibition, entitled *March of the Hummingbirds*, included works from projects documenting migrant communities in London. Finally, a third exhibition on the second floor of the Gallery, entitled *Adaptation*, was the first major solo survey of the work of Anastasia Samoylova. Organised in conjunction with the Foundation for the Exhibition of Photography and curated by Taous R. Dahmani, *Adaptation* featured projects from throughout the career of this emerging talent.

The Gallery continued to significantly improve our education and online programmes, and welcomed a wide variety of artists and partners into our world-class galleries.

As ever, we remain exceedingly grateful to our sponsors, patrons, commercial and charitable partners who allow us to so positively impact so many lives.



Homewards project, *Homelessness Reframed*



Samuel Nnorom, *Multitude or Minority* (Solo show of first M&C Saatchi Art for Change Prize winner)



Learning workshop

The Gallery's primary objective is to provide access to contemporary art to all and share with our local, regional and national communities the opportunity to explore, learn and engage with art. In 2019, Saatchi Gallery became a registered charity in order to further expand our commitment to supporting living artists and access to contemporary art. Since then, the Gallery's funding has come from corporate patrons, sponsors and donors, and our commercial activities.

The core activity of Saatchi Gallery, over its nearly 40-year history, focuses on offering unwavering support to emerging contemporary artists, with a strong commitment to supporting young British artists. Saatchi Gallery has an extremely high recognition factor amongst the British population and a strong reputation overseas, as supported by our highly popular online and social media following. For over 12 years in its current Chelsea premises, Saatchi Gallery has become a pivotal hub for local, city, national and international audiences, welcoming visitors of all ages to engage with contemporary art. We have an especially strong appeal to visitors between the ages of 16-30. We continue to offer a wide variety of exhibitions and programmes to attract new visitors whilst remaining engaged with our loyal and growing audience.

The Gallery is committed to developing opportunities for deeper engagement with schools, colleges, and universities by providing free or subsidised access to our exhibitions as well as talks, tours and creative workshops. We are proud partners of a wide variety of community groups from across the United Kingdom, typically delivering hundreds of dedicated workshops a year to further expand access to contemporary art and creativity to vulnerable and hard-to-reach audiences. The Gallery's learning programmes are designed to reveal the possibilities of artistic expression, encourage fresh thought, and stimulate innovation in visitors of all ages and background.

Saatchi Gallery therefore complies fully with the Charity Commission's guidance on public benefit and its legal obligations.

The Charity's strategy for achieving its stated aims and objectives is to maximise income from multiple revenue streams in order to invest in exhibition programming, educational projects and outreach initiatives.

The Charity will generate revenue from the following activities:

- The Charity will seek to maximise revenue from ticket sales to selected exhibitions and from retail activity on site and online.
- Income derived from the hire of spaces for exhibitions, events and private functions within the Gallery building.
- Revenue derived from corporate and foundation patrons, exhibition sponsors and the general public membership scheme.
- Collaborations with exhibition partners and supporting donors.

The Charity measures the success of its programming and educational initiatives by recording attendance figures and using different methods of feedback to assess the demographic profiles of its audiences. Qualitatively, the Gallery also measures the depth of engagement and satisfaction levels amongst visitors and participants of its learning programmes. Revenue, margin, and profit contribution for all revenue streams are monitored closely.

In 2024, the organisation continued to invest in its core activities with a view to establishing a pipeline of future projects and initiatives that would deliver on its charitable goals and provide opportunities for revenue generation. As the direct effects of COVID reduced, the Gallery sought to understand its audiences more and evolve its approaches to its events business, partnership strategy, programming strategy and management of operations.

Fundraising is a revenue stream utilised by Saatchi Gallery, both from organisations and individuals. Small scale fundraising takes place through donations in the premises and online, the average size donation is £3.50. Large scale fundraising, primarily targeting businesses and organisations, is led by our senior management team with all aspects handled internally.

In-house policies and controls are used rather than external regulation schemes. Fundraising initiatives are discussed and reviewed on a weekly basis by Saatchi Gallery's senior management team. Saatchi Gallery has never received any complaints regarding its fundraising activities and does not target members of the public or vulnerable parties for any sizeable donations.

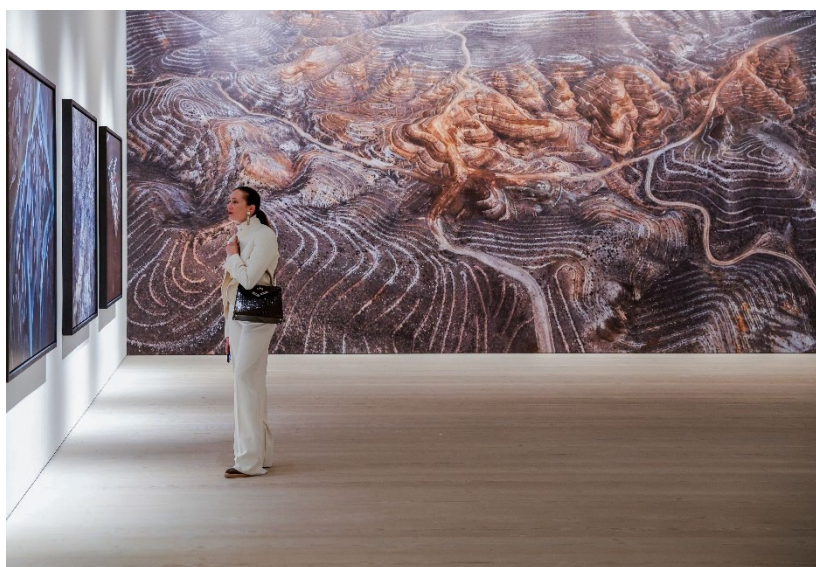
The Gallery continues to have peaks and troughs in annual performance as a result of the long lead time and work that needs to be put into place for major exhibitions. 2024 was a year of consolidation following the sensational success of the 2023 programming, and investment in the 2025 program of major events. It is anticipated that as the team expands and more funding can be invested in programming and long lead exhibitions like 2025's *Flowers* and *The Long Now*.



Gallery exterior, Burtynsky opening



HRH The Prince of Wales visits Saatchi Gallery for *Homelessness: Reframed* exhibition



Burtynsky: *Extraction/Abstraction*



FINANCIAL REVIEW

The end of year Balance Sheet reflects the nature of the business operations and the significant and ongoing impact of COVID-19 on the cultural sector, the impact of macro-economic events including the reduction in government grant funding and corporate giving, increased interest rates and wider economic conditions alongside the nature of 2024 as a rebuilding and investment year for major exhibitions. The majority of the cash reserves are held in a current account belonging to the Charity's trading subsidiary, with the remaining cash reserves held in a current account held by the Charity. This policy is reviewed on an annual basis by the Trustees. The impact of COVID-19 on Saatchi Gallery and the industry has been well publicised and addressed in our 2021, 2022 and 2023 accounts. Further challenges in 2025 are expected as a result of the cost-of-living crisis and general economic conditions.

Reserves Policy

A reserves policy has been considered by the trustees and will be updated once the accumulated deficits of £3.6m (2023: £1.3m) have been erased, which is the initial objective. Once the accumulated deficits are erased the board will meet to review the policy and agree a new strategy. The organisation holds no restricted funding.

Going Concern

As expected, the group has performed well despite the overall economic challenges that face the industry as a whole. Visitor numbers were consistent throughout the year both for free exhibitions and ticketed shows. Of particular note is the decline in partnerships income which is an industry wide issue but particularly affected the later part of the year. Partnerships revenue plays a key aspect in the quality of exhibitions the organisation can hold, this in turn has an impact on visitor numbers, ticket sales, retail revenue etc. As such, in 2025, a special emphasis has, and will, be placed on recruiting a team that can drive this key revenue line. In addition, costs will be carefully considered and adjusted to suit the lower revenue projections from our partnerships team.

As previously stated 2024 was a consolidation year for Saatchi Gallery that saw an emphasis on planning for major exhibitions in 2025 and 2026 to match the blockbuster successes of 2023. As a relatively young organisation, we are still working on the best strategy for major exhibitions which drive so much of our revenue. The success of 2023 has built a platform and template that will be copied in 2025 and 2026. As such, it was always anticipated that 2024 would be a year of a higher cost base with more limited revenue whilst we built the tools needed to succeed.

Saatchi Gallery continues to have strong support from its key stakeholders, including those that form the bulk of the costs for the organisation, and is in regular contact with those stakeholders to discuss any issues the organisation may face.

Based on the factors referred to above, the Trustees have a reasonable expectation that the Charity will continue to operate for the foreseeable future and at least twelve months from the date of approval of these financial statements. As a result, the financial statements have been prepared on a going concern basis.



Chelsea Flower Show, Zak Ove

PLANS FOR FUTURE PERIODS

In 2025, the Gallery will focus on delivering ticketed exhibitions in three slots: Spring, Summer and Winter. A major exhibition entitled *Flowers: Flora in Contemporary Art & Culture* has been conceived and curated by the Gallery's programming team for the Spring and Summer slots. The exhibition will open in February 2025 and run through Spring to May 2025. The exhibition will return for the Summer slot until September. In November, the Gallery marks its 40th anniversary with an exhibition of groundbreaking art by artists who have previously been exhibited in the Gallery, and new talent.

Our key corporate patrons in 2024 included: M&C Saatchi (Principal Patron to September 2024), Euronews, Telmont Champagne, Leda Hotels Ltd (11 Cadogan Gardens), HSBC, and Robert Walters.

Our key sponsors in 2024 included: Clive Christian Perfume, M&C Saatchi Group, and Canada Council for the Arts.

STRUCTURE, GOVERNANCE & MANAGEMENT

Saatchi Gallery continues to adhere to its governing documents which were updated in June 2023 and are available on the Charity Commission website.

Following the period covered in these accounts, no changes to the board have taken place and no new Trustees are envisaged at the time of writing. Should this decision change, the Trustees will consider and agree the best recruitment strategy. Should new Trustees be appointed they will undertake a 2-day training session from senior management before additional ad-hoc training relating to specific areas identified in the initial training programme.

The Trustees continue to review mid- and senior level salaries to ensure best value is achieved. The Trustees meet at least four times a year to agree overall strategy and provide direction and support to the management team. Trustees also make themselves available to discuss any risks or concerns that are raised by the management team on an as-and-when basis.

The charitable entity owns 100% of a subsidiary called Saatchi Gallery, London Limited. No other subsidiaries exist.

TRUSTEES RESPONSIBILITY STATEMENT

The Trustees of The Saatchi Gallery, London are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Charity law requires the Trustees to prepare financial statements for each year that give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the charitable group for that period. In preparing the 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 2019 (FRS 102);

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 charity and the group 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 charity and the group, to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



Beyond Fashion



Annasa Dawoojee: March of the Hummingbirds

REFERENCE & ADMINISTRATION

Registered Address	Saatchi Gallery Duke of York's HQ King's Road London SW3 4RY United Kingdom
Charity registration number	1182328
Bankers	HSBC UK Bank plc 1 Centenary Square Birmingham B1 1HQ
Solicitors	Bryan Cave Leighton Paisner LLP Adelaide House London EC4R 9HA
Auditors	Carston ETL Second Floor 34 Lime Street London EC3M 7AT

The charity trustees delegate the position of acting Chief Operating Officer to Edward Steven.

The charity trustees delegate daily management of the charity to Paul Foster (Gallery Director).
Contact details: paul@saatchigallery.com

At 31 December 2024 Saatchi Gallery had four Trustees, Johan Eliasch, who acts as Chairman, Maynard McLaren, Matthew Owen and John Goodchild. No trustee receives any remuneration for their time. At the date of publishing of this document, there are four Trustees; Johan Eliasch, Maynard McLaren, Matthew Owen and John Goodchild.

The Trustees' Report was approved and authorized by the Trustees on 31 October 2025 and signed on their behalf by:

JE

.....
Mr J Eliasch
Chairman

JG

.....
Mr J Goodchild
Trustee

MM

.....
Mr M McLaren
Trustee

MO

.....
Mr M Owen
Trustee



INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Saatchi Gallery, London (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise consolidated statement of financial activities, consolidated balance sheet, consolidated cash flow statement, charity balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 12], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We design our procedures so as to obtain sufficient appropriate audit evidence that the financial statements are not materially misstated due to non-compliance with laws and regulations or due to fraud or error.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Principles), the Charities SORP (FRS102) effective 1 January 2015 and the Charities Act 2011. We assessed the risk of non-compliance with such laws and regulations by discussion within the audit team and based on the results of our risk assessment, we designed our audit procedures for each section of the audit to identify any such non-compliance. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations - this responsibility lies with management with the oversight of the Trustees.

We assessed the risks of material misstatement in respect of irregularities, including fraud, by correspondence with the Trustees, consideration of the procedures in place to detect irregularities, including fraud, and review of the Trustee meeting minutes. We discussed these risks within the audit team and identified and targeted any higher risk areas with specific audit testing.

The audit engagement partner considers the audit team collectively had the appropriate competence and capabilities to recognise non-compliance with laws and regulations and identify fraud

Our audit procedures included:

- completing a risk-assessment process during our planning for this audit that specifically considered the risk of fraud;
- enquiry of management about the charity/ group's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- enquiry of management, about litigation and claims and inspection of relevant correspondence;
- analytical procedures to identify any unusual or unexpected relationships;
- specific audit testing on and review of areas that could be subject to management override of controls and potential bias, most notably around the key judgments and estimates, including the carrying value of accruals, provisions, investments, recoverability of trade debtors and revenue recognition;
- considering management override of controls outside of the normal operating cycles including testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements including evaluating the business rationale of significant transactions, outside the normal course of business.

INDEPENDENT AUDITOR'S REPORT

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Carston ETL

Carston ETL
Statutory Auditor
Second Floor
34 Lime Street
London
EC3M 7AT

Date: 31 October 2025

Carston ETL is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE SAATCHI GALLERY, LONDON

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

				2024	2023
		Unrestricted	Restricted	Total	Total
		fund	fund	Funds	Funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	92,133	61,279	153,412	60,419
Charitable activities	5	3,005,980		3,005,980	6,445,098
Other trading activities	4	1,773,794		1,773,794	2,148,332
Total		4,871,908	61,279	4,933,187	8,653,849
EXPENDITURE ON					
Raiding funds	6	-	-	-	2,078,315
Charitable activities		7,100,462	61,279	7,161,741	5,687,161
Total		7,100,462	61,279	7,161,741	7,765,475
NET INCOME/(EXPENDITURE)		(2,228,554)	-	(2,228,554)	888,347
Net movement in funds		(2,228,554)	-	(2,228,554)	888,347
RECONCILIATION OF FUNDS					
Total funds brought forward		(1,349,288)	-	(1,349,288)	(2,237,662)
TOTAL FUNDS CARRIED FORWARD		(3,577,842)	-	(3,577,842)	(1,349,288)

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

THE SAATCHI GALLERY, LONDON

CONSOLIDATED BALANCE SHEET
31 DECEMBER 2024

				2024	2023
	Notes	Unrestricted fund £	Restricted fund £	Total Funds £	Total Funds £
FIXED ASSETS					
Intangible assets	12	-	-	-	6,250
Tangible assets	13	<u>289,760</u>	<u>-</u>	<u>289,760</u>	<u>149,370</u>
		<u>289,760</u>	<u>-</u>	<u>289,760</u>	<u>155,620</u>
CURRENT ASSETS					
Stocks	20	126,595	-	126,595	134,588
Debtors	15	1,047,969	-	1,047,969	988,235
Cash at Bank		1,216,352	-	1,216,352	3,755,981
TOTAL CURRENT ASSETS		<u>2,390,916</u>	<u>-</u>	<u>2,390,916</u>	<u>4,878,804</u>
CREDITORS					
Amounts falling due within one year	16	(2,364,585)	-	(2,364,585)	(1,886,600)
NET CURRENT ASSETS/(LIABILITIES)		<u>26,331</u>	<u>-</u>	<u>26,331</u>	<u>2,992,204</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>316,091</u>	<u>-</u>	<u>316,091</u>	<u>3,147,823</u>
Creditors: Amounts falling due after one year		<u>(3,893,933)</u>	<u>-</u>	<u>(3,893,933)</u>	<u>(4,497,113)</u>
NET ASSETS/(LIABILITIES)		<u>(3,577,842)</u>	<u>-</u>	<u>(3,577,842)</u>	<u>(1,349,290)</u>
FUNDS					
Unrestricted funds				(3,577,842)	(1,349,290)
TOTAL FUNDS				<u>(3,577,842)</u>	<u>(1,349,290)</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 31 October 2025 and were signed on its behalf by:

JE

Name: Mr J Eliasch
Chairman

JG

Name: Mr J Goodchild
Trustee

MM

Name: Mr M McLaren
Trustee

MO

Name: Mr M Owen
Trustee

THE SAATCHI GALLERY, LONDON

CHARITY BALANCE SHEET
31 DECEMBER 2024

		Unrestricted fund £	Restricted fund £	2024 Total Funds £	2023 Total Funds £
	Notes				
FIXED ASSETS					
Investments	14	1	-	1	1
CURRENT ASSETS					
Debtors	15	8,487		8,487	10,512
Prepayments and accrued income		30,907		30,907	-
Cash at Bank		1,186,150		1,186,150	681,327
TOTAL CURRENT ASSETS		1,225,544		1,225,544	691,839
CREDITORS					
Amounts falling due within one year	16	(1,861,283)		(1,861,283)	(430,192)
NET CURRENT ASSETS/(LIABILITIES)		(635,739)		(635,739)	261,647
TOTAL ASSETS LESS CURRENT LIABILITIES		(635,738)		(635,738)	261,648
NET ASSETS/(LIABILITIES)		(635,738)		(635,738)	261,648
FUNDS					
Unrestricted funds				(635,738)	261,648
TOTAL FUNDS				(635,738)	261,648

The financial statements were approved by the Board of Trustees and authorised for issue on 31 October 2025 and were signed on its behalf by:

JE

Name: Mr J Eliasch
Chairman

MM

Name: Mr M McLaren
Trustee

JG

Name: Mr J Goodchild
Trustee

MO

Name: Mr M Owen
Trustee

THE SAATCHI GALLERY, LONDON

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

		2024 £	2023 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	18	(2,317,354)	(1,385,230)
Net cash provided by operating activities		<u>(2,317,354)</u>	<u>(1,385,230)</u>
 Cash from investing activities			
Purchase of tangible fixed assets		(222,276)	(128,598)
Net cash provided by investing activities		<u>(222,276)</u>	<u>(128,598)</u>
 Change in cash and cash equivalents in the reporting period		(2,539,629)	(1,513,828)
Cash and cash equivalents at the beginning of the reporting period		<u>3,755,981</u>	<u>5,269,809</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>1,216,352</u></u>	<u><u>3,755,981</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

Charity information

The Saatchi Gallery, London is a charitable incorporated organisation registered with the Charity Commission in England and Wales (Charity No. 1182328).

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention. The principle accounting policies adopted as set out below.

Going concern

The group has made a loss for the year ended 31 December 2024 of £2,228,554 (2023: profit £888,347). The net liabilities position at the balance sheet date is £3,577,842 (2023: £1,349,290). This is mainly due to a poor year of trading as exhibitions not providing as much attraction as expected. Of particular note is the decline in partnerships income which is an industry wide issue. Partnerships revenue plays a key aspect in the quality of exhibitions the organisation can hold, this in turn has an impact on visitor numbers, ticket sales, retail revenue etc. As such, in 2025, a special emphasis has, and will, be placed on recruiting a team that can drive this key revenue line. In addition, costs will be carefully considered and adjusted to suit the lower revenue projections from our partnerships team.

As such, 2024 was a consolidation year for Saatchi Gallery that saw an emphasis on planning for major exhibitions in 2025 and 2026 to match the blockbuster successes of 2023. As a relatively young organisation, we are still working on the best strategy for major exhibitions which drive so much of our revenue, the success of 2023 has built a platform and template that will be copied in 2025 and 2026. As such, it was always anticipated that 2024 would be a year of a higher cost base with more limited revenue whilst we built the tools needed to succeed.

Saatchi Gallery continues to have strong support from its key stakeholders, including those that form the bulk of the costs for the organisation, and is in regular contact with those stakeholders to discuss any issues the organisation may face. Moving into 2025 and 2026, Saatchi Gallery has a wide range of outstanding exhibitions to be held which will, we hope, achieve both commercial and critical success.

Based on the factors referred to above, the Trustees have reasonable expectation that the gallery will continue to operate for the foreseeable future and at least twelve months from the date of approval of these financial statements. As a result, the financial statements have been prepared on a going concern basis.

Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Income

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

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover represents income from sponsorships, events, ticket sales, and sales of books and merchandise. Sponsorship income is recognised on a straight line basis over the length of the contract to reflect the services provided.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES - continued

Events income is recognised on the date the event takes place. Sales of tickets, books, and merchandise are recognised when the goods are provided to the buyer to reflect the transfer of the significant risks and rewards of ownership.

Expenditure

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

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

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Software	5 years straight line
----------	------------------------------

Tangible fixed assets

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

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

Leasehold improvements	5 years straight line
Fixtures and fittings	6 years straight line
Computers	3 years straight line

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

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES - continued**Cash and cash equivalents**

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

Financial Instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Basis of Consolidation

These consolidated financial statements include the financial statements of Saatchi Gallery, London (the 'parent charity') and Saatchi Gallery, London Limited, its wholly owned trading subsidiary (details of which can be found in note 14), made up to 31 December 2024. These financial statements consolidate the results of the charity and its wholly owned subsidiary on a line-by-line basis. The trading results of the subsidiary are disclosed in note 14 to these financial statements.

No separate cash flow statement has been presented for the charity itself as the charity has taken advantage of the exemptions in paragraph 1.12 of FRS 102.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Unrestricted		
Donations and gifts	59,786	60,310
Gift aid	32,348	109
Restricted		
Grants – Royal foundation	61,279	-
	<u>153,412</u>	<u>60,419</u>

4. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Commercial Trading	828,497	1,503,272
Event commission received	162,938	122,322
Exhibitions and sponsorship	585,413	381,183
Other income	196,946	141,555
	<u>1,773,794</u>	<u>2,148,332</u>

5. CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Exhibitions and events	<u>3,005,980</u>	<u>6,445,098</u>

THE SAATCHI GALLERY, LONDON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

6. RAISING FUNDS & CHARITABLE ACTIVITIES

Resourced Expended

Unrestricted	Direct Costs	Support Costs	2024 Total	Direct Costs	Support Costs	2023 Total
	£	£	£	£	£	£
Expenditure on raising funds	-	-	-	1,995,810	82,505	2,078,315
Expenditure on charitable activities	<u>4,843,278</u>	<u>2,257,184</u>	<u>7,100,462</u>	-	<u>5,687,160</u>	<u>5,687,160</u>
	<u>4,843,278</u>	<u>2,257,184</u>	<u>7,100,462</u>	<u>1,995,810</u>	<u>5,769,665</u>	<u>7,765,475</u>
Restricted	Direct Costs	Support Costs	2024 Total	Direct Costs	Support Costs	2023 Total
	£	£	£	£	£	£
Expenditure on charitable activities	<u>61,279</u>	-	<u>61,279</u>	-	-	-
	<u>61,279</u>	-	<u>61,279</u>	-	-	-
TOTAL	<u><u>4,904,557</u></u>	<u><u>2,257,184</u></u>	<u><u>7,161,741</u></u>	<u><u>1,995,810</u></u>	<u><u>5,769,665</u></u>	<u><u>7,765,475</u></u>

7. SUPPORT COSTS

	Support costs	2024 Total	Raising funds	Support costs	2023 Total	Basis of allocation
	£	£	£	£	£	
Staff costs	374,951	374,951	27,419	1,573,694	1,601,112	Staff time
Rent	326,529	326,529	35,520	1,385,272	1,420,792	Use of premises
Other premises costs	262,200	262,200	30,919	1,205,834	1,236,753	Staff time
Promotions and exhibitions	1,188,789	1,188,789	75,000	1,270,189	1,345,189	Staff time
Other office costs	45,419	45,419	13,987	319,064	333,051	Staff time
Finance costs	718	718	2,981	1,988	4,969	Staff time
Legal and professional fees	51,702	51,702	586	391	976	Staff time
Bad debt expense	-603	-603	(132,098)	-88,065	-220,164	Staff time
Governance	<u>7,479</u>	<u>7,479</u>	<u>28,192</u>	<u>18,794</u>	<u>46,986</u>	Staff time
	<u><u>2,257,184</u></u>	<u><u>2,257,184</u></u>	<u><u>82,505</u></u>	<u><u>5,687,160</u></u>	<u><u>5,769,665</u></u>	

8. NET INCOME/(EXPENDITURE)

	2024 £	2023 £
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditors for the audit of the company's financial statements for:		
Year Ended 31 December 2022	6,593	16,986
Year Ended 31 December 2023	-	30,000
	<u>30,000</u>	-
Depreciation of owned tangible fixed assets	81,886	18,429
Amortisation of intangible assets	3,000	3,000
Impairment of intangible assets	<u>3,250</u>	-
	<u><u>125,528</u></u>	<u><u>68,415</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees' expenses

During the year, expenses on behalf of trustees totaling £9,331 (2023: £nil) were incurred by one trustee (2023: none). These costs were not reimbursed in cash but were included as a director's loan account within the financial statement of the trading subsidiary (see note 17).

10. EMPLOYEES

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
	49	48
Employment costs	2024	2023
	£	£
Wages and salaries	1,416,602	1,187,244
Social security costs	134,348	95,333
Pension contributions	35,502	32,244
Temporary staff	74,297	55,421
Other staff costs	2,281	2,351
	1,661,030	1,372,593

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024	2023
	Number	Number
£60,001 - £70,000	-	1
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1

During the financial year, aggregate payments of £364,630 (2023: £357,008), were made to those considered to be key management personnel. This figure includes the remuneration for the management services as described in note 17.

All employees for the group are employed by the trading subsidiary, with no staff employed by the charity.

The Trustees maintain authority and responsibility for planning, directing and controlling the activities of the organization both directly and indirectly.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

11. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12. INTANGIBLE FIXED ASSETS

	Group Computer Software	Charity Total Assets
	£	£
Cost		
At 1 January 2024	15,000	-
Disposals for the year	(15,000)	-
At 31 December 2024	-	-
Amortisation and impairment		
At 1 January 2024	8,750	-
Amortisation charged for the year	3,000	-
Eliminated on Disposals	(11,750)	-
At 31 December 2024	-	-
Carrying amount		
At 31 December 2024	-	-
At 31 December 2023	6,250	-

13. TANGIBLE FIXED ASSETS

	Group Leasehold Improvements	Group Fixtures & Fittings	Group Computer Equipment	Group Total Assets	Charity Total Assets
	£	£	£	£	£
Cost					
At 1 January 2024	170,495	18,325	17,979	206,799	-
Additions	164,103	45,324	12,848	222,276	-
At 31 December 2024	334,599	63,649	30,872	429,075	-
Depreciation and impairment					
At 1 January 2024	44,758	6,484	6,188	57,429	-
Depreciation charged in the year	62,405	13,326	6,155	81,886	-
At 31 December 2024	107,163	19,810	12,343	139,316	-
Carrying amount					
At 31 December 2024	227,436	43,840	18,484	289,760	-
At 31 December 2023	125,737	11,842	11,791	149,370	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

14. FIXED ASSET INVESTMENTS

Shares in group undertaking	Charity 2024 £	Charity 2023 £
Cost or valuation		
At 1 January 2024	1	1
Additions	<u>-</u>	<u>-</u>
At 1 January 2024 and at 31 December 2024	<u>1</u>	<u>1</u>
Carrying amount		
At 31 December 2024	<u>1</u>	

The charity holds 100% of the share capital of Saatchi Gallery, London Limited, a company registered in England and Wales (registration number 11712394)

A summary of the results of the subsidiary is shown below:

	2024 £	2023 £
Sales	3,737,023	7,502,447
Cost of sales	<u>(1,401,143)</u>	<u>(2,306,400)</u>
Gross profit	2,335,880	5,196,047
Administrative expenses	(5,354,209)	(4,367,032)
Other operating income	1,687,162	-
Trading profit/(loss)	(1,331,168)	829,015
Interest payable	-	(7,115)
Corporation tax	<u>-</u>	<u>-</u>
Retained profit/(loss) after tax	<u>(1,331,168)</u>	<u>821,900</u>
Net Assets/(Liabilities)	(2,942,103)	(1,610,935)

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Amounts falling due within one year:				
Trade debtors	188,955	58,711	6,832	8,829
Amounts owed by fellow group undertakings	-	-	-	7
Other debtors	11,285	293,666	1,656	1
Prepayments and accrued income	847,728	635,859	30,907	-
	<u>1,047,969</u>	<u>988,236</u>	<u>39,395</u>	<u>8,837</u>

In the year ended 31 December 2021, the charity's trading subsidiary, Saatchi Gallery London Limited, recorded an overpayment of a trading loan balance of £226,289 to True Blue Limited. Efforts to recover the overpaid amount continued in subsequent periods, and the balance was repaid in May 2024. A provision for bad and doubtful debts of £226,289, which had been reversed in the 2023 financial statements, was fully cleared in the year ended 31 December 2024 following receipt of the repayment. Accordingly, no balance remains outstanding at the year end (2023: £226,289). See note 17

THE SAATCHI GALLERY, LONDON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

16. CREDITORS

AMOUNTS FALLING DUE WITHIN ONE YEAR

	Notes	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Other taxation and social security		26,100	30,222	-	-
Deferred income	21	632,273	584,555	-	2,500
Amounts owed to fellow group undertakings		-	-	1,844,511	-
Trade creditors		342,509	244,685	(28)	86
Other creditors		982,344	391,247	1	1
Accruals		381,358	635,891	16,800	427,605
		<u>2,364,585</u>	<u>1,886,600</u>	<u>1,861,284</u>	<u>430,192</u>

AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Other creditors	<u>3,893,933</u>	<u>4,497,113</u>	-	-
TOTAL CREDITORS	<u>6,258,518</u>	<u>5,799,159</u>	<u>1,861,284</u>	<u>430,192</u>

Other creditors less than one year and more than one year include balance owed of £4,517,704 in respect of rent arrears. This amount is being repaid through monthly repayments in the value of 12% of the company's turnover.

17. RELATED PARTY DISCLOSURES

During the year, Saatchi Gallery London Limited, a wholly-owned subsidiary of the charity, made payments to Jet Support Services amounting to £216,008 (2023: £217,008) in respect of management services. Jet Support Services is owned by a trust of which Mr. Eliasch, a trustee of Saatchi Gallery London, is the settlor. Mr. Eliasch is also the director of Saatchi Gallery London Limited. The services included, among other aspects, the provision of the Chief Operating Officer.

At the year end, Saatchi Gallery London Limited owed £198,924 to Jet Support Services (2023: £nil).

Saatchi Gallery London Limited, a wholly-owned subsidiary of the charity, is party to an intellectual property agreement with True Blue Limited, which is owned by a trust of which Mr. Eliasch, a trustee of the charity and director of Saatchi Gallery London Limited, is the settlor. Under this agreement, True Blue Limited is entitled to receive an annual fee of £500,000. These fees were waived from 2019 to 2024 representing £3,000,000 of support from TrueBlue Limited however, they are expected to recommence from 2025. No payments were made to True Blue Limited in the year ended 31 December 2024 (2023: £nil). (See note 25). Mr. Eliasch recused himself from all trustee discussions and decisions relating to this arrangement.

In a prior accounting period, the trading subsidiary made an overpayment of a trading loan balance of £226,289 to TrueBlue Limited. This amount was received back from TrueBlue Limited in 2024. See note 15 for further information.

During the year, payments of £57,724 were made on behalf of trustees from Saatchi Gallery London Limited, a wholly-owned subsidiary of the charity. Of these amounts, £48,394 was refunded and £9,331 remains outstanding. The trustees intend to offset this against the balance owed to Jet Support Services Limited (£198,924).

THE SAATCHI GALLERY, LONDON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

17. RELATED PARTY DISCLOSURES – continued

The total amount of key management personnel benefits received by key management personnel for their services was £364,630. (2023: £357,008). This figure includes the remuneration for the management services as described above to Jet Support Services Limited, a related party to a trustee.

During the year, the following transactions were made with the trading subsidiary, Saatchi Gallery London Limited, as follows:

	2024
	£
Re-allocation of liabilities/assets	419,916
Exhibition costs	1,182,818
Management costs comprised of:	
Legal Fees	113,577
Rent	338,966
Staff costs	389,233
Total management costs	<u>841,776</u>
Total	<u><u>2,444,511</u></u>

At the year end, the balance owed to the trading subsidiary was £1,884,511.

18. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	(2,228,554)	888,374
Adjustments for:		
Amortisation and impairment of intangible assets	6,250	3,000
Depreciation and impairment of tangible fixed assets	<u>81,886</u>	<u>18,429</u>
Movements in working capital:		
Decrease/(increase) in stocks	7,993	(34,43)
Decrease/(increase) in debtors	(59,734)	(472,977)
(Decrease)/increase in creditors	(172,914)	(1,226,243)
(Decrease)/increase in deferred income	47,719	(561,383)
Net cash provided by operations	<u><u>(2,317,355)</u></u>	<u><u>(1,385,230)</u></u>

19. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/24	Cash flow	At 31/12/24
	£	£	£
Net cash			
Cash at bank in charity	<u>681,327</u>	<u>141,293</u>	<u>1,186,150</u>
Cash at bank in subsidiaries	<u>3,074,654</u>	<u>(3,044,452)</u>	<u>30,202</u>
Total	<u><u>3,755,981</u></u>	<u><u>(2,539,629)</u></u>	<u><u>1,216,352</u></u>

20. STOCKS

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Finished goods and goods for resale	<u>126,595</u>	<u>134,588</u>	<u>-</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

21. DEFERRED INCOME

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Deferred Income	632,273	584,555	-	2,500

This is included in the accounts as follows:

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Deferred income at 1 January 2024	584,555	1,145,938	2,500	545,000
Released from previous periods	(584,555)	(1,145,938)	(2,500)	(545,000)
Resourced deferred in the year	632,273	584,555	-	2,500
Deferred income at 31 December 2024	632,273	584,555	-	2,500

22. OPERATING LEASE COMMITMENTS

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Within one year	1,679,939	1,500,000	-	-
Between two and five years	6,931,245	6,000,000	-	-
In over five years	4,219,675	5,219,178	-	-
	12,902,859	12,719,178	-	-

Lease payments are subject to annual indexation each September in line with the Retail Price Index (All Items, excluding Mortgage Interest Payments). The amounts above are based on the latest known rent and do not reflect future indexation.

23. MEMBER'S LIABILITY

If the charity is wound up, the members of the charity have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

24. MOVEMENT IN FUNDS

Group	At 1/1/24 £	Net movement in funds £	At 31/12/24 £
Unrestricted funds			
Unrestricted general fund	(1,349,288)	(2,228,554)	(3,577,842)
Restricted funds			
Royal Foundation	-	-	-
TOTAL FUNDS	<u>(1,349,288)</u>	<u>(2,228,554)</u>	<u>(3,577,842)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

24. MOVEMENT IN FUNDS - continued

Group	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted general fund	4,871,908	(7,100,462)	(2,228,554)
Restricted funds			
Royal Foundation	61,279	(61,279)	-
TOTAL FUNDS	<u>(4,933,187)</u>	<u>(7,161,741)</u>	<u>(2,228,554)</u>

Comparatives for movement in funds

Group	At 1/1/23 £	Net movement in funds £	At 31/12/23 £
Unrestricted funds			
Unrestricted general fund	(2,237,662)	888,347	(1,349,288)
TOTAL FUNDS	<u>(2,237,662)</u>	<u>888,347</u>	<u>(1,349,288)</u>

Comparative net movement in funds, included in the above are as follows:

Group	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted general fund	8,653,849	(7,765,475)	888,374
TOTAL FUNDS	<u>8,653,849</u>	<u>(7,765,475)</u>	<u>888,374</u>

A current year 12 months and prior year 12 months combined position is as follows:

Group	At 1/1/23 £	Net movement in funds £	At 31/12/24 £
Unrestricted funds			
Unrestricted general fund	(2,237,662)	(1,340,180)	(3,577,842)
Restricted funds			
Royal Foundation	-	-	-
TOTAL FUNDS	<u>(2,237,662)</u>	<u>(1,340,180)</u>	<u>(3,577,842)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

24. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

Group	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted general fund	13,525,757	(14,865,937)	(1,340,180)
Restricted funds			
Royal Foundation	61,279	(61,279)	-
TOTAL FUNDS	<u>13,587,036</u>	<u>(14,927,216)</u>	<u>(1,340,180)</u>
Charity	At 1/1/24 £	Net movement in funds £	At 31/12/24 £
Unrestricted funds			
Unrestricted general fund	261,648	(897,385)	(635,737)
Restricted funds			
Royal Foundation	-	-	-
TOTAL FUNDS	<u>261,648</u>	<u>(897,385)</u>	<u>(635,737)</u>
Charity	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted general fund	1,105,318	(2,002,704)	(897,385)
Restricted funds			
Royal Foundation	61,279	(61,279)	-
TOTAL FUNDS	<u>1,166,597</u>	<u>(2,063,983)</u>	<u>(897,385)</u>
Comparatives for movement in funds			
Charity	At 1/1/23 £	Net movement in funds £	At 31/12/23 £
Unrestricted funds			
Unrestricted general fund	195,174	66,474	261,648
TOTAL FUNDS	<u>195,174</u>	<u>66,474</u>	<u>261,648</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

24. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

Charity	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted general fund	1,137,011	(1,068,507)	66,474
TOTAL FUNDS	<u>1,137,011</u>	<u>(1,068,507)</u>	<u>66,474</u>

A current year 12 months and prior year 12 months combined position is as follows:

Charity	At 1/1/23 £	Net movement in funds £	At 31/12/24 £
Unrestricted funds			
Unrestricted general fund	195,174	(830,911)	(635,737)
Restricted funds			
Royal Foundation	-	-	-
TOTAL FUNDS	<u>195,174</u>	<u>(830,911)</u>	<u>(635,737)</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

Charity	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted general fund	2,242,329	(3,071,211)	(830,911)
Restricted funds			
Royal Foundation	61,279	(61,279)	-
TOTAL FUNDS	<u>2,303,608</u>	<u>(3,132,490)</u>	<u>(830,911)</u>

25. CAPITAL COMMITMENTS

At the balance sheet date, the group had no capital commitments. However, under an intellectual property agreement, the trading subsidiary is committed to pay £500,000 per annum from 1 January 2025 for the use of the Saatchi Gallery brand. No amounts were payable for the year ended 31 December 2024 (2023: £nil).

THE SAATCHI GALLERY, LONDON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

26. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	2024		
	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	289,760	-	289,760
Current assets	2,390,916	-	2,390,916
Current liabilities	(2,364,585)	-	(2,364,585)
Liabilities due over 1 year	(3,893,933)	-	(3,893,933)
	<u>(3,577,842)</u>	<u>-</u>	<u>(3,577,842)</u>

Group – comparatives for net assets between funds	2023		
	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	155,620	-	155,620
Current assets	3,755,981	-	3,755,981
Current liabilities	(1,886,600)	-	(1,886,600)
Liabilities due over 1 year	(4,497,113)	-	(4,497,113)
	<u>(1,349,290)</u>	<u>-</u>	<u>(1,349,290)</u>

Charity	2024		
	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	1	-	1
Current assets	1,225,545	-	1,225,545
Current liabilities	(1,861,284)	-	(1,861,284)
Liabilities due over 1 year	-	-	-
	<u>(635,737)</u>	<u>-</u>	<u>(635,737)</u>

Charity - comparatives for net assets between funds	2023		
	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	1	-	1
Current assets	691,839	-	691,839
Current liabilities	(430,192)	-	(430,192)
Liabilities due over 1 year	-	-	-
	<u>261,648</u>	<u>-</u>	<u>261,648</u>

THE SAATCHI GALLERY, LONDON

England & Wales - Charity number 1182328

Accounts

SAATCHI GALLERY

TRUSTEES REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 DECEMBER 2023

Charity Registration Number: 1182328 (England & Wales)

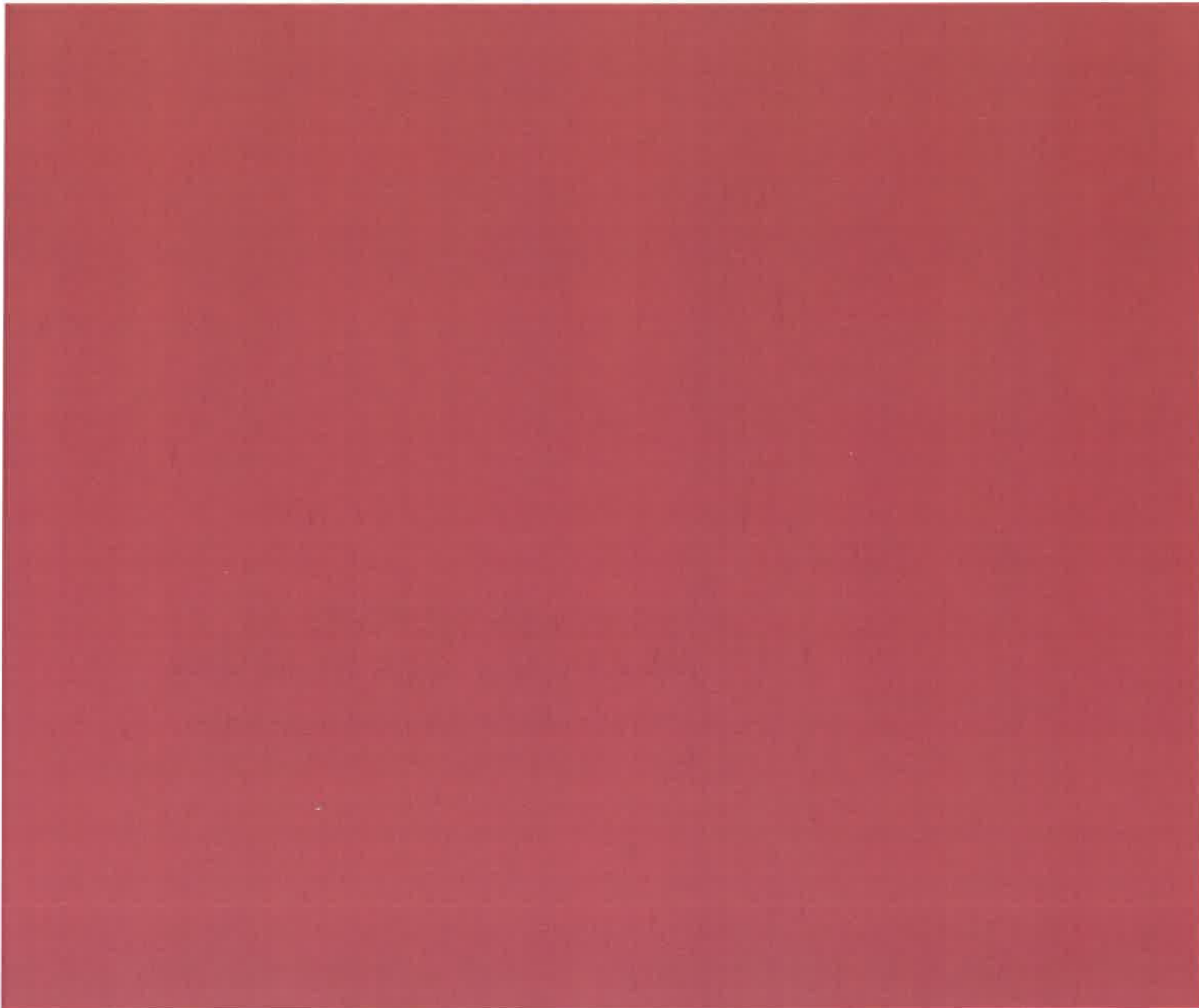
CONTENTS

Trustees' Report

Objectives & Activities	3
Financial Review	7
Structure, Governance & Management	10
Trustees' Responsibilities Statement	11
Reference & Administration	12

Independent Auditor's Report	14
-------------------------------------	----

Financial Statements	18
-----------------------------	----



OBJECTIVES & ACTIVITIES

Since 1985, Saatchi Gallery has provided an innovative platform for contemporary art, presenting work by largely unseen young artists or by international artists whose work has been rarely exhibited in the UK. The Gallery has attracted tens of millions of visitors to its London premises, hosts thousands of school & community visitors each year and has built a social media following of millions worldwide.

The Gallery operates within a challenging marketplace with audiences faced with cost of living issues that inhibit free-spending on cultural activities. The Gallery continues to pursue a mixed model of programming that combines free-to-enter exhibitions within its ground floor galleries for the majority of the year alongside ticketed exhibitions on its upper floors. This mixed model encourages impulse & repeat visits to see a changing roster of free-to-enter exhibitions, provides a pool of potential ticket purchasers for the ticketed exhibitions and attracts audiences to the ticketed shows themselves. This strategy remains under constant review in terms of delivering our charitable goals and fiscal viability.

The Gallery hosted six ticketed exhibitions in 2023. *The New Black Vanguard* completed its run in January 2023. *Beyond the Streets* opened in February and continued through to May 2023. Our Summer exhibition, *Civilization*, occupied the first and second floors from June to September. The annual presentation of the *RHS Botanical Art & Photography Exhibition* ran through June on the Ground Floor. Finally, we closed the year with two ticketed exhibitions on our upper floors. *Christo & Jeanne—Claude: Boundless* occupied the galleries on the First Floor and *If Not Now, When?* Was installed in our Second Floor galleries.

Across these six exhibitions the Gallery presented a diverse range of artists, media, themes and ideas. *The New Black Vanguard* championed the creativity of Black photographers, their models and other Black creatives in the fashion and photography sector. With major sponsorship support from adidas, *Beyond the Streets* was an unprecedented showcase of street art, graffiti, hip-hop, punk, street fashion and sub-cultures across our entire building. *Civilization* tackled big themes and major challenges facing humanity, drawing upon the work of an international array of renowned photographers. *Christo & Jeanne—Claude: Boundless* featured artworks rarely seen in the UK about the careers of two leading practitioners of large-scale conceptual installations. The Gallery partnered with Hepworth Wakefield, to present an expanded iteration of the exhibition *If Not Now, When?* which showcased the remarkable and under-appreciated work of female sculptors based in the UK from 1960 to 2023.

Throughout the year, the Gallery also presented a rotation of smaller exhibitions on its Ground Floor. These free-to-enter exhibitions included multiple group presentations of new works by emerging talents; a collaboration with the Embassy of Ukraine resulted in a presentation of the works of Maria Prymachenko specially flown to the UK; solo presentations of works by new artists; themed shows presenting works by previously marginalized artists; and award presentations such as the annual M&C Saatchi Art for Change Prize. Each of these shows generated press coverage and attracted diverse audiences to the Gallery. As part of its partnership with the Royal Horticultural Society, and with the generous support of HSBC, the Gallery also created a garden at the Chelsea Flower Show featuring the work of a young British Sculptor, Catriona Robertson, which was seen by over 150,000 visitors to the Flower Show.

The Gallery continued to significantly improve our education and online programmes and welcomed a wide variety of artists and partners into our world-class galleries. We continued to receive strong critical and public praise for the exhibitions we have held both inside the gallery and outside.

As ever, we remain exceedingly grateful to our sponsors, patrons, commercial and charitable partners who allow us to so positively impact so many lives.



Learning workshop with Age UK in response to *If Not Now, When?*



M&C Saatchi Group Art For Change Prize Awards Ceremony & Exhibition



School tour of the *RHS Botanical Art & Photography Exhibition* led by Head of Learning, Florence Goodhand-Tait

The Gallery's primary objective is to provide access to contemporary art to all and share with our local, regional and national communities the opportunity to explore, learn and engage with art. In 2019, Saatchi Gallery became a registered charity in order to further expand our commitment to supporting living artists and access to contemporary art. Since then, the Gallery's funding has come from corporate patrons, sponsors & donors, and our commercial activities.

The core activity of Saatchi Gallery, over its nearly 40-year history, focuses on offering unwavering support to emerging contemporary artists, with a strong commitment to supporting young British artists. Saatchi Gallery has an extremely high recognition factor amongst the British population and a strong reputation overseas, as supported by our highly popular online and social media following. For over 12 years in its current Chelsea premises, Saatchi Gallery has become a pivotal hub for local, city, national and international audiences, welcoming visitors of all ages to engage with contemporary art. We have an especially strong appeal to visitors between the ages of 16-30. We continue to offer a wide variety of exhibitions and programmes to attract new visitors whilst remaining engaged with our loyal and growing audience.

The Gallery is committed to developing opportunities for deeper engagement with schools, colleges, and universities by providing free or subsidised access to our exhibitions as well as talks, tours and creative workshops. We are proud partners of a wide variety of community groups from across the United Kingdom, typically delivering hundreds of dedicated workshops a year to further expand access to contemporary art and creativity to vulnerable and hard-to-reach audiences. The Gallery's learning programmes are designed to reveal the possibilities of artistic expression, encourage fresh thought, and stimulate innovation in visitors of all ages and background.

Saatchi Gallery therefore complies fully with the Charity Commission's guidance on public benefit and its legal obligations. The Charity's strategy for achieving its stated aims and objectives is to maximise income from multiple revenue streams in order to invest in exhibition programming, educational projects and outreach initiatives.

The Charity will generate revenue from the following activities:

- The Charity will seek to maximise revenue from ticket sales to selected exhibitions and from retail activity on site & online.
- Income derived from the hire of spaces for exhibitions, events and private functions within the Gallery building.
- Revenue derived from corporate & foundation patrons, exhibition sponsors and the general public membership scheme.

- Collaborations with exhibition partners and supporting donors.

The Charity measures the success of its programming and educational initiatives by recording attendance figures and using different methods of feedback to assess the demographic profiles of its audiences. Qualitatively, the Gallery also measures the depth of engagement and satisfaction levels amongst visitors and participants of its learning programmes. Revenue, margin, and profit contribution for all revenue streams are monitored closely.

In 2023 the organisation continued to invest in its core activities with a view to establishing a pipeline of future projects & initiatives that would deliver on its charitable goals and provide opportunities for revenue generation. As the direct effects of COVID reduced, the Gallery sought to understand its audiences more and evolve its approaches to its events business, partnership strategy, programming strategy and management of operations.

Fundraising is a revenue stream utilised by Saatchi Gallery, both from organisations and individuals. Small scale fundraising takes place through donations in the premises and online, the average size donation is £3.50. Large scale fundraising, primarily targeting businesses and organizations, is led by our senior management team with all aspects handled internally.

In-house policies and controls are used rather than external regulation schemes. Fundraising initiatives are discussed and reviewed on a weekly basis by Saatchi Gallery's senior management team. Saatchi Gallery has never received any complaints regarding its fundraising activities and does not target members of the public or vulnerable parties for any sizeable donations.



Gallery Exterior, Summer Lates



Summer Lates workshop inspired by the *RHS Botanical Art & Photography Exhibition*

Beyond the Streets Installation view



FINANCIAL REVIEW

The end of year Balance Sheet reflects the nature of the business operations and the significant and ongoing impact of COVID-19, the impact of macro-economic events triggered by the invasion of Ukraine, increased interest rates and wider economic conditions. The majority of the cash reserves are held in a current account belonging to the Charity's trading subsidiary, with the remaining cash reserves held in a current account held by the Charity, this policy is reviewed on an annual basis by the Trustees. The impact of COVID-19 on Saatchi Gallery and the industry has been well publicised and addressed in our 2021 and 2022 accounts. Further challenges in 2024 are expected as a result of the cost-of- living crisis and general economic conditions.

Reserves Policy

A reserves policy has been considered by the trustees and will be updated once the accumulated deficits of £1.3m (2022: £2.2m) have been erased, which is the initial objective. Once the accumulated deficits are erased the board will meet to review the policy and agree a new strategy. The organisation holds no restricted funding.

Going Concern

As expected, the group has performed well despite the overall economic challenges that face the industry as a whole. The group continues to reduce its deficit, from £2.24m in 2022 to £1.35 in 2023. Visitor numbers started strongly with the blockbuster 'Beyond The Streets' exhibition but declined in the latter part of the year as the cost of living crisis continued to hit disposable income. Of particular note is the decline in partnerships income which is an industry wide issue but particularly effected the later part of the year Partnerships revenue plays a key aspect in the quality of exhibitions the organisation can hold, this in turn has an impact on visitor numbers, ticket sales, retail revenue etc. As such, in 2024 and 2025, a special emphasis has, and will, be placed on recruiting a team that can drive this key revenue line. In addition, costs will be carefully considered and adjusted to suit the lower revenue projections from our partnerships team.

Saatchi Gallery continues to have strong support from its key stakeholders, including those that form the bulk of the costs for the organisation, and is in regular contact with those stakeholders to discuss any issues the organisation may face.

Moving into 2024 and 2025, Saatchi Gallery has a wide range of outstanding exhibitions to be held which will, we hope, achieve both commercial and critical success.

Based on the factors referred to above, the Trustees have reasonable expectation that the gallery will continue to operate for the foreseeable future and at least twelve months from the date of approval of these financial statements. As a result, the financial statements have been prepared on a going concern basis.

Saatchi Gallery Garden at Chelsea Flower Show, Sculpture by Catriona Robertson



PLANS FOR FUTURE PERIODS

In 2024 the Gallery will focus on delivering ticketed exhibitions in three slots: Spring, Summer and Winter. A partnership with the studio of Edward Burtynsky will result in the major exhibition *Burtynsky: Extraction / Abstraction in Spring 2024*. This exhibition continues the Gallery's efforts to showcase works of the highest quality, combined with attention to issues of contemporary relevance and importance.

Our key corporate patrons in 2023 included: M&C Saatchi (Principal Patron), Riverstone, Euronews, Champagne Pommery, Leda Hotels (11 Cadogan Gardens), HSBC and Robert Walters.

Our key corporate sponsors in 2023 included: Riverstone, Burberry, adidas and Moleskine.

STRUCTURE, GOVERNANCE & MANAGEMENT

Saatchi Gallery continues to adhere to its governing documents which were updated in June 2023 and are available on the Charity Commission website.

Following the period covered in these accounts, in August 2024, two new Trustees were added with two trustees resigning (Note 24), no new trustees are envisaged at the time of writing nor any changes to the Trustee Board. Should this decision change, the trustees will consider and agree the best recruitment strategy. Should new trustees be appointed they will undertake a 2 day training session from senior management before additional ad hoc training relating to specific areas identified in the initial training program.

The Trustees continue to review mid- and senior level salaries to ensure best value is achieved. The trustees meet at least four times a year to agree overall strategy and provide direction and support to the management team. Trustees also make themselves available to discuss any risks or concerns that are raised by the management team on an as and when basis.

The charitable entity owns 100% of a subsidiary called Saatchi Gallery, London Limited. No other subsidiaries exist.

TRUSTEES RESPONSIBILITY STATEMENT

The Trustees of The Saatchi Gallery, London are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Charity law requires the Trustees to prepare financial statements for each year that give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the charitable group for that period. In preparing the 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 charity and the group 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 charity and the group, to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



Civilisation Installation views

REFERENCE & ADMINISTRATION

Registered Address	Saatchi Gallery Duke of York's HQ King's Road London SW3 4RY United Kingdom
Charity registration number	1182328
Bankers	HSBC UK Bank plc 1 Centenary Square Birmingham B1 1HQ
Solicitors	Bryan Cave Leighton Paisner LLP Adelaide House London EC4R 9HA
Auditors	Sinclairs Bartrum Lerner 34-36 Lime Street Moorgate London EC3M 7AT

The charity trustees delegated daily management of the charity to Paul Foster (Gallery Director).
Contact details: paul@saatchigallery.com

At 31 December 2023 Saatchi Gallery had four Trustees, Johan Eliasch, who acts as Chairman, Maynard McLaren, SG Trustees 1 Limited and SG Trustees 2 Limited. No trustee receives any remuneration for their time. At the date of publishing of this document, there are four Trustees; Johan Eliasch, Maynard McLaren, Matthew Owen and John Goodchild.

The Trustees' Report was approved and authorized by the Trustees on 25th October 2024
and signed on their behalf by:



.....
Mr J Eliasch
Chairman

If Not Now, When? Installation view



INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Saatchi Gallery, London (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise consolidated statement of financial activities, consolidated balance sheet, consolidated cash flow statement, charity balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended; have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

The group has made a profit for the year ended 31 December 2023 of £888,374. The net liabilities position at the balance sheet date is £1,349,289 (2022: £2,237,662). The group has put measures in place to cut costs and drive revenue and has continued to reduce its deficit from £2,237,662 in 2022 to £1,349,289 in 2023.

The group will continue to need support from its key stakeholders, including those that form the majority of the costs for the organisation.

These factors, together with the other matters referred to in note 1 to the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT

Other information

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

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

We were not appointed as auditor of the charity group until after 31 December 2023 and thus did not observe the counting of physical inventories as the end of the year. The stocktake was not attended but our opinion is not modified in respect of this.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page ...], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

INDEPENDENT AUDITOR'S REPORT

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We design our procedures so as to obtain sufficient appropriate audit evidence that the financial statements are not materially misstated due to non-compliance with laws and regulations or due to fraud or error.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Principles), the Charities SORP (FRS102) effective 1 January 2015 and the Charities Act 2011. We assessed the risk of non-compliance with such laws and regulations by discussion within the audit team and based on the results of our risk assessment, we designed our audit procedures for each section of the audit to identify any such non-compliance. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations - this responsibility lies with management with the oversight of the Trustees.

We assessed the risks of material misstatement in respect of irregularities, including fraud, by correspondence with the Trustees, consideration of the procedures in place to detect irregularities, including fraud, and review of the Trustee meeting minutes. We discussed these risks within the audit team and identified and targeted any higher risk areas with specific audit testing.

The audit engagement partner considers the audit team collectively had the appropriate competence and capabilities to recognise non-compliance with laws and regulations and identify fraud

Our audit procedures included:

- completing a risk-assessment process during our planning for this audit that specifically considered the risk of fraud;
- enquiry of management about the charity/ group's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- enquiry of management, about litigation and claims and inspection of relevant correspondence;
- analytical procedures to identify any unusual or unexpected relationships;
- specific audit testing on and review of areas that could be subject to management override of controls and potential bias, most notably around the key judgments and estimates, including the carrying value of accruals, provisions,

INDEPENDENT AUDITOR'S REPORT

investments, recoverability of trade debtors and revenue recognition;

- considering management override of controls outside of the normal operating cycles including testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements including evaluating the business rationale of significant transactions, outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Sinclairs Bartrum Lerner

Statutory Auditor

Second Floor

34 Lime Street

London

EC3M 7AT

Date: 28/10/2024

Sinclairs Bartrum Lerner is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE SAATCHI GALLERY, LONDON
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

		2023 Unrestricted fund £	2022 Unrestricted fund £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	3	60,419	156,572
Charitable Activities	5	6,445,098	5,518,340
Other trading activities	4	2,148,332	2,580,782
Total		8,653,849	8,255,694
 EXPENDITURE ON			
Raising funds	6	2,078,315	2,113,632
Charitable activities		5,687,161	1,376,075
Total		7,762,475	3,489,707
 NET INCOME		888,374	4,765,987
 RECONCILIATION OF FUNDS			
Total funds brought forward		(2,237,662)	(7,003,649)
 TOTAL FUNDS CARRIED FORWARD		(1,349,288)	(2,237,662)

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

THE SAATCHI GALLERY, LONDON

CONSOLIDATED BALANCE SHEET
31 DECEMBER 2023

		2023 Unrestricted fund £	2022 Unrestricted fund £
FIXED ASSETS	Notes		
Intangible assets	12	6,250	9,250
Tangible assets	13	<u>149,370</u>	<u>39,200</u>
		155,620	48,450
CURRENT ASSETS			
Stocks	20	134,588	100,158
Debtors	15	988,236	515,259
Cash at bank		<u>3,755,981</u>	<u>5,269,809</u>
TOTAL CURRENT ASSETS		<u>4,878,805</u>	<u>5,885,226</u>
CREDITORS			
Amounts falling due within one year	16	<u>(1,886,600)</u>	<u>(8,171,338)</u>
NET CURRENT ASSETS		<u>2,992,205</u>	<u>(2,286,112)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,147,824</u>	<u>(2,237,662)</u>
Creditors: Amounts falling due after one year		<u>(4,497,113)</u>	-
NET LIABILITIES		<u>(1,349,289)</u>	<u>(2,237,662)</u>
FUNDS			
Unrestricted funds:			
Unrestricted general fund		<u>(1,349,289)</u>	<u>(2,237,662)</u>
TOTAL FUNDS		<u>(1,349,289)</u>	<u>(2,237,662)</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25th October 2024 and were signed on its behalf by:



Mr J Eliasch
Chairman

THE SAATCHI GALLERY, LONDON

CHARITY BALANCE SHEET
31 DECEMBER 2023

		2023 Unrestricted fund £	2022 Unrestricted fund £
FIXED ASSETS	Notes		
Investments	14	1	1
CURRENT ASSETS			
Debtors	15	8,836	212,413
Cash at bank		<u>681,327</u>	<u>540,034</u>
		691,832	752,447
CREDITORS			
Amounts falling due within one year	16	(430,192)	(557,274)
NET CURRENT ASSETS		<u>259,971</u>	<u>195,173</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>259,972</u>	<u>195,174</u>
NET ASSETS		<u>259,972</u>	<u>195,174</u>
FUNDS			
Unrestricted funds:			
Unrestricted general fund		<u>259,972</u>	<u>195,174</u>
TOTAL FUNDS		<u>259,972</u>	<u>195,174</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25th October 2024 and were signed on its behalf by:



Mr J Eliasch
Chairman

THE SAATCHI GALLERY, LONDON
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	18	(1,385,230)	2,362,111
Net cash provided by operating activities		<u>(1,385,230)</u>	<u>2,362,111</u>
 Cash from investing activities			
Purchase of tangible fixed assets		(128,598)	(3,455)
Net cash provided by investing activities		<u>(128,598)</u>	<u>(3,455)</u>
 Change in cash and cash equivalents in the reporting period		(1,513,828)	2,358,656
Cash and cash equivalents at the beginning of the reporting period		<u>5,269,809</u>	<u>2,911,153</u>
 Cash and cash equivalents at the end of the reporting period		<u>3,755,981</u>	<u>5,269,809</u>

THE SAATCHI GALLERY, LONDON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

Charity information

The Saatchi Gallery, London is a charitable incorporated organisation registered with the Charity Commission in England and Wales (Charity No. 1182328).

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention. The principle accounting policies adopted as set out below.

Going concern

At the year end the group had net liabilities of £1,349,289 (2022: £2,237,662). As expected, the group has performed well despite the overall economic challenges that face the industry as a whole. The group continues to reduce its deficit, from £2.24 in 2022 to £1.35m in 2023. Visitor numbers started strongly with the blockbuster 'Beyond The Streets' exhibition but declined in the latter part of the year as the cost of living crisis continued to hit disposable income. Of particular note is the decline in partnerships income which is an industry wide issue but particularly effected the later part of the year Partnerships revenue plays a key aspect in the quality of exhibitions the organisation can hold, this in turn has an impact on visitor numbers, ticket sales, retail revenue etc. As such, in 2024 and 2025, a special emphasis has, and will, be placed on recruiting a team that can drive this key revenue line. In addition, costs will be carefully considered and adjusted to suit the lower revenue projections from our partnerships team.

Saatchi Gallery continues to have strong support from its key stakeholders, including those that form the bulk of the costs for the organisation, and is in regular contact with those stakeholders to discuss any issues the organisation may face.

Moving into 2024 and 2025, Saatchi Gallery has a wide range of outstanding exhibitions to be held which will, we hope, achieve both commercial and critical success.

Based on the factors referred to above, the Trustees have reasonable expectation that the gallery will continue to operate for the foreseeable future and at least twelve months from the date of approval of these financial statements. As a result, the financial statements have been prepared on a going concern basis.

Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Income

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

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover represents income from sponsorships, events, ticket sales, and sales of books and merchandise. Sponsorship

income is recognised on a straight line basis over the length of the contract to reflect the services provided. Events income

is recognised on the date the event takes place. Sales of tickets, books, and merchandise are recognised when the goods

are provided to the buyer to reflect the transfer of the significant risks and rewards of ownership.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES - continued

Expenditure

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

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

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Software

5 years straight line

Tangible fixed assets

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

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

Leasehold improvements

5 years straight line

Fixtures and fittings

6 years straight line

Computers

3 years straight line

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

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

THE SAATCHI GALLERY, LONDON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES - continued

Cash and cash equivalents

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

Financial Instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Basis of Consolidation

These consolidated financial statements include the financial statements of Saatchi Gallery, London (the 'parent charity') and Saatchi Gallery, London Limited, its wholly owned trading subsidiary (details of which can be found in note 14), made up to 31 December 2023. These financial statements consolidate the results of the charity and its wholly owned subsidiary on a line-by-line basis. The trading results of the subsidiary are disclosed in note 14 to these financial statements.

No separate cash flow statement has been presented for the charity itself as the charity has taken advantage of the exemptions in paragraph 1.12 of FRS 102.

THE SAATCHI GALLERY, LONDON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

3. DONATIONS AND LEGACIES

	2023 £	2022 £
Donations and gifts	60,310	17,013
Government grants	<u>109</u>	<u>139,559</u>
	<u>60,419</u>	<u>156,572</u>

4. OTHER TRADING ACTIVITIES

	2023 £	2022 £
Event commission received	271,333	334,033
Sponsorship from Patrons	1,471,857	1,899,708
Other	<u>405,142</u>	<u>347,041</u>
	<u>2,148,332</u>	<u>2,580,782</u>

5. CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Exhibitions and events	<u>6,445,098</u>	<u>5,518,340</u>

THE SAATCHI GALLERY, LONDON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

6. RAISING FUNDS

Resourced Expended

	Direct Costs £	Support Costs £	Total 2023 £	Total 2022 £
Expenditure on raising funds	1,995,810	82,505	2,078,315	2,113,632
Expenditure on charitable activities		5,687,161	5,687,161	1,376,075
	<u>1,995,810</u>	<u>5,769,665</u>	<u>7,765,475</u>	<u>3,489,707</u>

7. SUPPORT COSTS

	Raising funds £	Charitable activities £	2023 £	Raising funds £	Charitable activities £	2022 £	Basis of allocation
Staff costs	27,419	1,573,694	1,601,112	247,104	741,314	988,418	Staff time
Rent	35,520	1,385,272	1,420,792	(114,416)	(1,029,746)	(1,144,162)	Use of premises
Other premises costs	30,919	1,205,834	1,236,753	104,420	939,785	1,044,205	Use of premises
Promotions and exhibitions	75,000	1,270,189	1,345,189	67,921	45,281	113,202	Staff time
Other office costs	13,987	319,064	333,051	244,912	734,736	979,648	Staff time
Finance costs	2,981	1,988	4,969	2,019	1,346	3,365	Staff time
Legal and professional fees	586	391	976	7,070	4,714	11,784	Staff time
Bad debt expenses	(132,098)	(88,065)	(220,164)	-	-	-	Staff time
Governance	28,192	18,794	46,986	14,100	9,400	23,500	Staff time
	<u>82,505</u>	<u>5,687,160</u>	<u>5,769,665</u>	<u>573,130</u>	<u>1,446,830</u>	<u>2,019,960</u>	

8. NET INCOME/(EXPENDITURE)

	2023 £	2022 £
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditors for the audit of the company's financial statements for:		
Year Ended 31 December 2022	16,986	23,500
Year Ended 31 December 2023	30,000	-
Depreciation of owned tangible fixed assets	18,429	15,319
Amortisation of intangible assets	3,000	3,000
	<u>68,415</u>	<u>41,819</u>

THE SAATCHI GALLERY, LONDON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

10. EMPLOYEES

The average monthly number of employees during the year was:

	2023 Number 48	2022 Number 30
Employment costs	2023 £	2022 £
Wages and salaries	1,187,244	848,058
Social security costs	95,333	78,704
Pension contributions	32,244	19,571
Temporary staff	55,421	14,236
Other staff costs	2,351	2,503
	<u>1,372,593</u>	<u>988,418</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1

During the financial year, aggregate payments of £140,000 (2022: 122,500) were made to those considered to be key management personnel.

All employees for the group are employed by the trading subsidiary, with no staff employed by the charity.

The Trustees were not paid nor received any other benefits from employment with the Charity or its subsidiary in the year (2022: £nil) and neither were they reimbursed expenses during the year (2022: £nil). No Trustee received payment for professional or other services supplied to the Charity (2022: £nil).

The Trustees maintain authority and responsibility for planning, directing and controlling the activities of the organization both directly and indirectly.

THE SAATCHI GALLERY, LONDON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

11. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12. INTANGIBLE FIXED ASSETS

	Group Computer Software £	Charity Total Assets £
Cost		
At 1 January 2023 and 31 December 2023	15,000	-
Amortisation and impairment		
At 1 January 2023	5,750	-
Amortisation charged for the year	3,000	-
At 31 December 2023	8,750	-
Carrying amount		
At 31 December 2023	6,250	-
At 31 December 2022	9,250	-

13. TANGIBLE FIXED ASSETS

	Group Leasehold Improvements £	Group Fixtures & Fittings £	Group Computer Equipment £	Group Total Assets £	Charity Total Assets £
Cost					
At 1 January 2023	58,011	15,264	4,926	78,201	-
Additions	112,485	3,061	13,052	128,598	-
At 31 December 2023	170,495	18,325	17,979	206,799	-
Depreciation and impairment					
At 1 January 2023	33,156	3,770	2,075	39,200	-
Depreciation charged in the year	11,602	2,714	4,113	18,429	-
At 31 December 2023	44,758	6,484	6,188	57,429	-
Carrying amount					
At 31 December 2023	125,737	11,842	11,791	149,370	-
At 31 December 2022	24,855	11,494	2,851	39,200	-

THE SAATCHI GALLERY, LONDON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

14. FIXED ASSET INVESTMENTS

Shares in group undertaking	Charity 2023 £	Charity 2022 £
Cost or valuation		
At 1 January 2023	1	1
Additions	-	-
At 1 January 2023 and at 31 December 2023	<u>1</u>	<u>1</u>
Carrying amount		
At 31 December 2023	<u>1</u>	

The charity holds 100% of the share capital of Saatchi Gallery, London Limited, a company registered in England and Wales (registration number 11712394)

A summary of the results of the subsidiary is shown below:

	2023 £	2022 £
Sales	7,502,447	8,099,122
Cost of sales	(2,306,400)	(1,546,548)
Gross profit	5,196,047	6,552,574
Administrative expenses	(4,367,032)	(1,934,886)
Other operating income	-	139,559
Trading profit/(loss)	829,015	4,757,247
Interest payable	(7,115)	-
Corporation tax	-	-
Retained profit/(loss) after tax	<u>821,900</u>	<u>4,757,247</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Amounts falling due within one year:				
Trade debtors	58,711	270,617	8,829	24,000
Amounts owed by fellow group undertakings	-	-	7	188,413
Other debtors	293,666	-	-	-
Prepayments and accrued income	635,859	244,642	-	-
	<u>988,236</u>	<u>515,259</u>	<u>8,836</u>	<u>212,413</u>

In the year ended 31 December 2021, the charity's trading subsidiary, Saatchi Gallery, London Limited, recorded an overpayment of a trading loan balance of £226,289. Throughout that period and the following periods attempts had been made to recover the overpaid balance and in May 2024, the balance was repaid. The provision put in place for bad and doubtful debts of £226,289 was reversed in the 2023 accounting period thus the net balance in the financial statements is £226,289 (2022: Nil). This will be reduced to nil when the payment is reflected in the 2024 financial statements.

THE SAATCHI GALLERY, LONDON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

16. CREDITORS

AMOUNTS FALLING DUE WITHIN ONE YEAR

	Notes	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Other taxation and social security		30,222	308,340	-	2,345
Deferred income	21	584,555	1,145,938	2,500	545,000
Trade creditors		244,685	5,740,853	86	-
Other creditors		391,247	145,116	1	1
Accruals		635,891	831,091	427,605	9,928
		<u>1,886,600</u>	<u>8,171,338</u>	<u>430,192</u>	<u>557,274</u>

AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Notes	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Other creditors		<u>4,497,113</u>	-	-	-
		<u>4,497,113</u>	-	-	-

Other creditors less than one year and more than one year include balance owed of £4,834,379 in respect of rent arrears. This amount is being repaid through monthly repayments in the value of 12% of the company's turnover.

17. RELATED PARTY DISCLOSURES

Remuneration of key management personnel

During the accounting period, the Charity's trading subsidiary, Saatchi Gallery, London Limited, made payments of £217,008 (2022: £177,750) to Jet Support Services Limited, a company involved in some aspects of providing management and oversight services to the Charity.

The total employment benefits paid to employees considered Key Management Personnel are disclosed in Note 10.

THE SAATCHI GALLERY, LONDON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

18. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	888,374	4,765,987
Adjustments for:		
Amortisation and impairment of intangible assets	3,000	3,000
Depreciation and impairment of tangible fixed assets	18,429	15,319
Movements in working capital:		
Decrease/(increase) in stocks	(34,430)	19,932
Decrease/(increase) in debtors	(472,977)	1,391,464
(Decrease)/increase in creditors	(1,226,243)	(1,907,008)
(Decrease)/increase in deferred income	(561,383)	(1,926,583)
Net cash provided by operations	(1,385,230)	2,362,111

19. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/23 £	Cash flow £	At 31/12/23
Net cash			
Cash at bank	540,034	141,293	681,327
	540,034	141,293	681,327
Total	540,034	141,293	681,327

20. STOCKS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Finished goods and goods for resale	134,588	100,158	-	-

21. DEFERRED INCOME

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Deferred Income	584,555	1,145,938	2,500	545,000

Deferred income is included in the financial statements as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Deferred income at 1 January 2023	1,145,938	3,072,521	545,000	-
Released from previous periods	(1,145,938)	(3,072,521)	(545,000)	-
Resourced deferred in the year	584,555	1,145,938	2,500	545,000
Deferred income at 31 December 2023	584,555	1,145,938	2,500	545,000

THE SAATCHI GALLERY, LONDON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

22. OPERATING LEASE COMMITMENTS

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Within one year	1,500,000	1,500,000	-	-
Between two and five years	6,000,000	10,791,070	-	-
In over five years	5,219,178	8,961,210	-	-
	<u>12,719,178</u>	<u>21,252,280</u>	<u>-</u>	<u>-</u>

23. MEMBER'S LIABILITY

If the charity is wound up, the members of the charity have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

24. MOVEMENT IN FUNDS

	At 1/1/23 £	Net movement in funds £	At 31/12/23 £
Unrestricted funds			
Unrestricted general fund	(2,237,662)	888,374	(1,349,288)
TOTAL FUNDS	<u>(2,237,662)</u>	<u>888,374</u>	<u>(1,349,288)</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted general fund	8,653,849	(7,765,475)	888,374
TOTAL FUNDS	<u>8,653,849</u>	<u>(7,765,475)</u>	<u>888,374</u>

Comparatives for movement in funds

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
Unrestricted general fund	(7,003,649)	4,765,987	(2,237,662)
TOTAL FUNDS	<u>(7,003,649)</u>	<u>4,765,987</u>	<u>(2,237,662)</u>

THE SAATCHI GALLERY, LONDON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

24. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted general fund	8,255,967	(3,489,707)	4,765,987
	<u>8,255,967</u>	<u>(3,489,707)</u>	<u>4,765,987</u>
TOTAL FUNDS	<u>8,255,967</u>	<u>(3,489,707)</u>	<u>4,765,987</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/22 £	Net movement in funds £	At 31/12/23 £
Unrestricted funds			
Unrestricted general fund	(7,003,649)	5,654,361	(1,349,288)
	<u>(7,003,649)</u>	<u>5,654,361</u>	<u>(1,349,288)</u>
TOTAL FUNDS	<u>(7,003,649)</u>	<u>5,654,361</u>	<u>(1,349,288)</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted general fund	16,909,816	(11,255,182)	5,654,361
	<u>16,909,816</u>	<u>(11,255,182)</u>	<u>5,654,361</u>
TOTAL FUNDS	<u>16,909,816</u>	<u>(11,255,182)</u>	<u>5,654,361</u>

25. CAPITAL COMMITMENTS

At the Balance Sheet date, the company had capital commitments relating to property improvement work which was completed in 2024. These commitments were contracted for but not yet incurred as of 31 December 2023. The amount incurred and settled post Balance Sheet date was £168,382.

26. EVENTS AFTER THE REPORTING DATE

On 15th August 2024 SG Trustee 2 Limited resigned and was replaced with Matthew James Owen. On the 30th August 2024 SG Trustee 1 Limited resigned and was replaced with John Charles Goodchild.

THE SAATCHI GALLERY, LONDON

England & Wales - Charity number 1182328

Accounts

SAATCHI GALLERY

TRUSTEES REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 DECEMBER 2022

Charity Registration Number: 1182328 (England & Wales)

CONTENTS

Trustees' Report	
Objectives & Activities	3
Financial Review	7
Plans for Future Periods	9
Structure, Governance & Management	10
Trustees' Responsibilities Statement	11
Reference & Administration	12
Independent Auditor's Report	14
Financial Statements	17

OBJECTIVES & ACTIVITIES

Since 1985, Saatchi Gallery has provided an innovative platform for contemporary art, presenting work by largely unseen young artists or by international artists whose work has been rarely exhibited in the UK. The Gallery has attracted tens of millions of visitors to its London premises, hosts thousands of school & community visitors each year and has built a social media following of millions worldwide.

It would be impossible to discuss 2022 without addressing the extraordinary and ongoing impact of the COVID-19 pandemic. From March 2020 to June 2021, with a few exceptions, Saatchi Gallery was closed with the majority of operations being suspended or partially suspended. Since then, we have seen a gradual re-opening of the London premises with numbers beginning to return to pre-Covid levels towards the end of 2022.

Unfortunately, the impacts of the COVID-19 pandemic have been substantial with very significant and lasting impacts on cultural sectors. Throughout 2022 we have been challenged by macro-economic conditions including a wage inflation issues in early 2022, cost of living crisis pressures, transport disruption due to industrial action, shipping and logistic issues and a fall in disposable income due to general economic conditions. Whilst logistic and salary pressures declined towards the end of the year, we expect general economic pressures, industrial action, and disposable income pressures to continue into 2023 and beyond.

Despite these pressures we have significantly improved our education and online programmes and welcomed a wide variety of artists and partners into our world-class galleries. We have continued to receive strong critical and public praise for the exhibitions we have held both inside the gallery and outside.

Perhaps the highlight of the year was our blockbuster summer show, "Vision and Virtuosity by Tiffany & Co", which saw hundreds of thousands of visitors enjoying free access to a one-of-a-kind celebration of some of the finest craftsmanship in the world.

As ever, we remain exceedingly grateful to our sponsors, patrons, commercial and charitable partners who allow us to so positively impact so many lives.



On-site workshop with community group Accumulate where participants enjoyed a hands-on drawing workshop and learned about life drawing through the work of Civilization (file photo).

OBJECTIVES & ACTIVITIES

The Gallery's objective is to provide access to contemporary art to all and share with our local, regional and national communities the opportunity to explore, learn and engage with art. In 2019, Saatchi Gallery became a registered charity in order to further expand our commitment to supporting living artists and further expand access to contemporary art. Since then, the Gallery's funding has come from our corporate patrons, sponsors & donors, and our commercial activities.

The core activity of Saatchi Gallery, over its nearly 40-year history, focuses on offering unwavering support to emerging contemporary artists, with a strong commitment to supporting young British artists. Saatchi Gallery has an extremely high recognition factor amongst the British population and a strong reputation overseas, as supported by our highly popular online and social media following. For over 12 years in its current Chelsea premises, Saatchi Gallery has become a pivotal hub for local, city, national and international audiences, welcoming visitors of all ages to engage with contemporary art. We have an especially strong appeal to visitors between the ages of 16-30. We continue to offer a wide variety of exhibitions and programmes to attract new visitors whilst remaining engaged with our loyal and growing fanbase.

The Gallery is committed to developing opportunities for deeper engagement with schools, colleges, and universities by providing free or subsidised access to our exhibitions as well as talks, tours and creative workshops. We are proud partners of a wide variety of community groups from across the United Kingdom, typically delivering over 500 dedicated workshops a year to further expand access to contemporary art and creativity to vulnerable and hard-to-reach audiences. The Gallery's learning programmes are designed to reveal the possibilities of artistic expression, encourage fresh thought, and stimulate innovation in visitors of all ages and background.

Saatchi Gallery therefore complies fully with the Charity Commission's guidance on public benefit and its legal obligations.

The Charity's strategy for achieving its stated aims and objectives is to maximise income from multiple revenue streams in order to invest in exhibition programming, educational projects and outreach initiatives.

The Charity will generate revenue from the following activities:

- The Charity will seek to maximise revenue from ticket sales to selected exhibitions, from retail activity on site & online.
- Income derived from the hire of spaces for exhibitions, events and private functions within the Gallery building.
- Revenue derived from corporate & foundation patrons, exhibition sponsors and the general public membership scheme.
- Collaborations with exhibition partners and supporting donors.

OBJECTIVES & ACTIVITIES

The Charity measures the success of its programming and educational initiatives by recording attendance figures and using varying methods of feedback to assess the demographic profiles of its audiences. Qualitatively, the Gallery also measures the depth of engagement and satisfaction levels amongst visitors and participants of its learning programmes. Revenue, margin, and profit contribution for all revenue streams are monitored closely.

The COVID-19 pandemic's lasting effects were still present throughout 2022, for this reason, the Gallery's core priority has been to create a viable and stable future post- pandemic. The organisation consolidated its activities and streamlined its teams, including the Senior Management team. Saatchi Gallery also took this opportunity to review external contracts, internal processes and find efficiencies where possible. Strategies for each organisational department were reviewed and aligned to the strategic goals of the Charity in accordance with the expected impact of the COVID-19 pandemic.

The year 2022, only our fourth of full operations as a charitable entity, involved huge disruption as well as other macro-economic challenges previously mentioned. These are likely to lead to long-lasting structural changes to the industry as a whole.

Fundraising is a revenue stream utilised by Saatchi Gallery, both from organisations and individuals. Small scale fundraising takes place through donations in the premises and online, the average size donation is £3.50. Large scale fundraising, primarily targeting businesses and organizations, is led by our senior management team with all aspects handled internally.

In-house policies and controls are used rather than external regulation schemes. Fundraising initiatives are discussed and reviewed on a weekly basis by Saatchi Gallery's senior management team. Saatchi Gallery has never received any complaints regarding its fundraising activities and does not target members of the public or vulnerable parties for any sizeable donations.





FINANCIAL REVIEW

The end of year Balance Sheet reflects the nature of the business operations and the significant and ongoing impact of COVID-19 and wider economic changing. The majority of the cash reserves are held in a current account belonging to the Charity's trading subsidiary, with the remaining cash reserves held in a current account held by the Charity, this policy is reviewed on an annual basis by the Trustees. The impact of COVID-19 on Saatchi Gallery and the industry has been well publicised and addressed in our 2021 accounts. Further disruption to 2023 revenue has been experienced as a result of the cost-of- living crisis and general economic conditions.

Reserves Policy

A reserves policy has been considered and will be updated after the pandemic, once the accumulated deficits of £2.2m (2021: £7.0m) have been erased, which is the initial objective.

Going Concern

As expected, the group has performed strongly despite the overall economic conditions. Visitor numbers were on the conservative side during the first quarter of the year but by Spring and especially in Summer, we saw increased attention in the gallery, especially drawn to our main 2022 exhibition 'Tiffany: Vision and Virtuosity', which generated solid visitor numbers, retail sales, sponsorships, events and this trend continued through the second half of the year with a strong art fair season in the Autumn and the gallery's winter exhibition 'The New Black Vanguard' with Burberry's sponsorship.

In 2022 Saatchi Gallery signed a new, long-term lease which guarantees its current operational premises for a decade. This, along with strong profits, has helped in reducing the accumulated deficit down to £2,237,662 from £7,003,649.

With an exciting calendar of world-class exhibitions lined up for 2023, the gallery is preparing for pre-covid levels of revenue and visitors by upskilling and upstaffing its departments and improving and modernizing its systems and processes.

Based on the factors referred to above, the Trustees have reasonable expectation that the gallery will continue to operate for the foreseeable future and at least twelve months from the date of approval of these financial statements. As a result, the financial statements have been prepared on a going concern basis.

*Chelsea Flower Show
commission by artist
Catriona Robertson(2023)*



PLANS FOR FUTURE PERIODS

In 2023 Saatchi Gallery will continue to focus on its major exhibitions which include the blockbuster 'Beyond the Streets' show in Spring 2023. A focus will be placed on revenue generation and continuing to provide free access content to as wide an audience as possible.

Our key corporate patrons in 2022 included: M&C Saatchi (Principal Patron), Riverstone, Euronews, Champagne Pommery, Leda Hotels (11 Cadogan Gardens) and Robert Walters.

Our key corporate sponsors in 2022 included: Tiffany & Co, Riverstone, Burberry and Bvlgari.

STRUCTURE, GOVERNANCE & MANAGEMENT

Saatchi Gallery continues to adhere to its governing documents.

Subsequent to the period, in June 2023, two new Trustees were added (Note 20), no new trustees are envisaged at the time of writing nor any changes to the Trustee Board. However, should that change the senior management team would work with the Trustees to form a Recruitment Panel that would oversee the recruitment process. A detailed induction and training program would then be implemented by the senior management team. This induction program would mirror the existing program of ensuring Trustees are fully up to date on the organisation's status, financial performance, and charitable goals.

The Trustees continue to review mid- and senior level salaries to ensure best value is achieved.

The charitable entity owns 100% of a subsidiary called Saatchi Gallery, London Limited. No other subsidiaries exist.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees of The Saatchi Gallery, London are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Charity law requires the Trustees to prepare financial statements for each year that give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the charitable group for that period. In preparing the 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 charity and the group 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 charity and the group, to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



*Johan Eliasch, Chairman, Visits a school workshop.
Exploring the JR: Chronicles exhibition (file photo).*

REFERENCE & ADMINISTRATION

Registered Address	Saatchi Gallery Duke of York's HQ King's Road London SW3 4RY United Kingdom
Charity registration number	1182328
Bankers	HSBC UK Bank plc 1 Centenary Square Birmingham B1 1HQ
Solicitors	Bryan Cave Leighton Paisner LLP Adelaide House London EC4R 9HA
Auditors	Kirk Rice LLP Zeeta House 200 Upper Richmond Road Putney London SW15 2SH

The charity trustees delegated daily management of the charity to Paul Foster (Gallery Director).
Contact details: paul@saatchigallery.com

At 31 December 2022 Saatchi Gallery had two Trustees, Johan Eliasch, who acts as Chairman, and Maynard McLaren, both of whom have been Trustees since the charity was formed. Neither receive any remuneration for their time.

The Trustees' Report was approved and authorized by the Trustees on ^{20/11/2023}
and signed on their behalf by:



.....
Mr J Eliasch
Chairman



INDEPENDENT AUDITOR'S REPORT

Qualified opinion

We have audited the financial statements of The Saatchi Gallery, London (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement on financial activities, the consolidated balance sheet, the consolidated statement of cashflow and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for qualified opinion

We were not appointed as auditor of the group and charity until after 31 December 2022 and thus did not observe the counting of physical inventories at the end of the year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities held at 31 December 2022, which are included in the consolidated balance sheet at £100,158, by using other audit procedures. Consequently, we were unable to determine whether any adjustment to this amount was necessary.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the inventory quantities of £100,158 held at 31 December 2022. We have concluded that where the other information refers to the inventory balance or related balances such as cost of sales, it may be materially misstated for the same reason.

INDEPENDENT AUDITOR'S REPORT

Matters on which we are required to report by exception

Except for the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

Arising solely from the limitation on the scope of our work relating to inventory, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the financial statements are not in agreement with the accounting records.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

During the planning of our audit procedures, attention was drawn to the key areas which might involve non-compliance with laws and regulations or fraud. All members of the audit team considered the risks and how these could possibly manifest in practice. We also enquired of management whether they were aware of any instances of non-compliance with laws and regulations or had knowledge of any actual, suspected, or alleged fraud.

In particular, we had to consider the adequacy of the controls in place including management's use of manual spreadsheets and reconciliations. We also considered, amongst other matters, management override of controls, recognition of income, and the maintenance of statutory records.

As detailed throughout this summary, the audit work carried out was designed in a way to identify any occurrences of fraud during the year. We are satisfied that the risk of management override of controls has been mitigated and that no manipulation has occurred in sales through incorrect or false revenue recognition or inappropriate journal entries.

At the completion stage of the audit, final review and oversight included ensuring that the team had approached their work with appropriate professional skepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Kalbinder Sanghera

Kalbinder Sanghera (Senior Statutory Auditor)
for and on behalf of Kirk Rice LLP

20/11/2023
.....

Statutory Auditor

Zeeta House
200 Upper Richmond Road
Putney
London
SW15 2SH

Kirk Rice LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Income and endowments from:</u>			
Donations and legacies	3	156,572	106,199
Charitable activities	4	5,518,340	1,879,084
Other trading activities	5	2,580,782	905,615
Total income		8,255,694	2,890,898
<u>Expenditure on:</u>			
Raising funds		2,113,632	1,013,145
Charitable activities	6	1,376,075	3,694,906
Total expenditure		3,489,707	4,708,051
Net income/(expenditure) for the year/ Net movement in funds		4,765,987	(1,817,153)
 Fund balances at 1 January 2022			
As originally reported		(7,003,649)	(3,478,947)
Prior year adjustment	25	-	(1,707,549)
As restated		-	(5,186,496)
Fund balances at 31 December 2022		(2,237,662)	(7,003,649)

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

All income and expenditure derive from continuing activities.

FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021 as restated	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	12		9,250		12,250
Tangible assets	13		39,200		51,064
			<u>48,450</u>		<u>63,314</u>
Current assets					
Stocks	15	100,158		120,090	
Debtors	16	515,259		1,906,723	
Cash at bank and in hand		5,269,809		2,911,153	
		<u>5,885,226</u>		<u>4,937,966</u>	
Creditors: amounts falling due within one year	17	(8,171,338)		(12,004,929)	
Net current liabilities			<u>(2,286,112)</u>		<u>(7,066,963)</u>
Total assets less current liabilities			<u>(2,237,662)</u>		<u>(7,003,649)</u>
Income funds					
Unrestricted funds			<u>(2,237,662)</u>		<u>(7,003,649)</u>
			<u>(2,237,662)</u>		<u>(7,003,649)</u>

The financial statements were approved by the Trustees on ^{20/11/2023}



.....
Mr J Eliasch
Chairman

The notes form part of these financial statements.

FINANCIAL STATEMENTS

CHARITY BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Investments			1		1
Current assets					
Debtors	16	212,413		186,434	
Cash at bank and in hand		540,034		-	
		<u>752,447</u>		<u>186,434</u>	
Creditors: amounts falling due within one year	17	<u>(557,274)</u>		<u>(1)</u>	
Net current assets			195,173		186,433
Total assets less current liabilities			<u>195,174</u>		<u>186,434</u>
Income funds					
Unrestricted funds			195,174		186,434
			<u>195,174</u>		<u>186,434</u>

The financial statements were approved by the Trustees on ^{20/11/2023}



.....
Mr J Eliasch
Chairman

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	23		2,362,111		1,739,465
Investing activities					
Purchase of intangible assets		-		(15,000)	
Purchase of tangible fixed assets		(3,455)		(16,735)	
Net cash used in investing activities			(3,455)		(31,735)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			2,358,656		1,707,730
Cash and cash equivalents at beginning of year			2,911,153		1,203,423
Cash and cash equivalents at end of year			5,269,809		2,911,153

FINANCIAL STATEMENTS

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

1 Accounting policies

Charity information

The Saatchi Gallery, London is a charitable incorporated organisation registered with the Charity Commission in England and Wales (Charity No. 1182328).

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The group performed strongly despite the overall economic conditions. Visitor numbers were on the conservative side during the first quarter of the year but by Spring and especially in Summer we saw increased attention in the gallery, especially drawn to our main 2022 exhibition "Tiffany: Vision and Virtuosity", which generated solid visitor numbers, retail sales, sponsorships, events and this trend continued through the second half of the year with a strong art fair season in the Autumn and the gallery's winter exhibition "The New Black Vanguard" with Burberry's sponsorship.

In 2022, the gallery signed a new long-term lease which guarantees its current operational premises for a decade. This, along with strong profit, has helped in reducing the accumulated deficit down to £2,237,662.

With an exciting calendar of world-class exhibitions lined up for 2023, the gallery is preparing for pre-covid levels of revenue and visitors by upskilling and upstaffing its departments and improving and modernizing its systems and processes.

Based on the factors referred to above, the director has reasonable expectation that the group will continue to operate for the foreseeable future, and as a result, the financial statements have been prepared on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

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

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Expenditure

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

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

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Software	5 years straight line
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1.7 Tangible fixed assets

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

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

Leasehold improvements	5 years straight line
Fixtures and fittings	6 years straight line
Computers	3 years straight line

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

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

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

1.11 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

THE SAATCHI GALLERY, LONDON

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

1 Accounting policies

(Continued)

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	17,013	1,500
Government grant	139,559	104,699
	<u>156,572</u>	<u>106,199</u>

4 Charitable activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Exhibitions and events	<u>5,518,340</u>	<u>1,879,084</u>

THE SAATCHI GALLERY, LONDON

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

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Exhibitions and sponsorship	334,033	164,407
Commercial trading	1,899,708	682,082
Other	347,041	59,126
	<u>2,580,782</u>	<u>905,615</u>

6 Resources Expended

	Direct Costs	Support Costs	Total 2022	Total 2021
	£	£	£	£
Expenditure on raising funds	1,469,747	573,130	2,042,877	1,013,145
Expenditure on charitable activities	-	1,446,830	1,446,830	3,694,906
	<u>1,469,747</u>	<u>2,019,960</u>	<u>3,489,707</u>	<u>4,708,051</u>

THE SAATCHI GALLERY, LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7	Support costs	Raising funds £	Charitable activities £	2022 £	Raising funds £	Charitable activities £	2021 £	Basis of allocation
	Staff costs	247,104	741,314	988,418	115,830	656,367	772,197	Staff time
	Rent	(114,416)	(1,029,746)	(1,144,162)	85,612	1,626,635	1,712,247	Use of premises
	Other premises costs	104,420	939,785	1,044,205	54,284	1,031,400	1,085,684	Use of premises
	Promotions and exhibitions	67,921	45,281	113,202	83,768	53,557	137,325	Staff time
	Other office costs	244,912	734,736	979,648	67,268	201,803	269,070	Staff time
	Finance costs	2,019	1,346	3,365	19,732	12,615	32,347	Staff time
	Legal and professional fees	7,070	4,714	11,784	23,332	14,917	38,249	Staff time
	Bad debt expense	-	-	-	138,036	88,253	226,289	Staff time
	Governance	14,100	9,400	23,500	14,640	9,360	24,000	Staff time
		<u>573,130</u>	<u>1,446,830</u>	<u>2,019,960</u>	<u>602,502</u>	<u>3,694,906</u>	<u>4,297,408</u>	

Governance costs includes payments to the auditors of £23,500 (2021- £24,000) for audit fees.

THE SAATCHI GALLERY, LONDON

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

8	Net movement in funds	2022	2021
		£	£
	Net movement in funds is stated after charging/(crediting)		
	Fees payable to the company's auditor for the audit of the company's financial statements	23,500	24,000
	Depreciation of owned tangible fixed assets	15,319	13,730
	Amortisation of intangible assets	3,000	2,750

9	Trustees		
	None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.		

10	Employees		
	The average monthly number of employees during the year was:		
		2022	2021
		Number	Number
		30	26

Employment costs	2022	2021
	£	£
Wages and salaries	848,058	677,691
Social security costs	78,704	58,196
Pension contributions	19,571	19,571
Temporary staff	14,236	14,236
Other staff costs	2,503	2,503
	988,418	772,197

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022	2021
	Number	Number
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	1

During the financial year, aggregate payments of £122,500 (2021: £67,459) were made to those considered to be key management personnel.

THE SAATCHI GALLERY, LONDON

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

Employees

(Continued)

The Trustees were not paid nor received any other benefits from employment with the Charity or its subsidiary in the year (2021: £nil) and neither were they reimbursed expenses during the year (2021: £nil). No Trustee received payment for professional or other services supplied to the Charity (2021: £nil).

The Trustees maintain authority and responsibility for planning, directing and controlling the activities of the organization both directly and indirectly.

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Intangible fixed assets

	Group Computer Software	Charity Total Assets
	£	£
Cost		
At 1 January 2022 and 31 December 2022	15,000	-
Amortisation and impairment		
At 1 January 2022	2,750	-
Amortisation charged for the year	3,000	-
At 31 December 2022	5,750	-
Carrying amount		
At 31 December 2022	9,250	-
At 31 December 2021	12,250	-

THE SAATCHI GALLERY, LONDON

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

13 Tangible fixed assets

	Group Leasehold Improvements £	Group Fixtures & Fittings £	Group Computer Equipment £	Group Total Assets £	Charity Total Assets £
Cost					
At 1 January 2022	58,011	13,934	2,801	74,746	-
Additions	-	1,330	2,125	3,455	-
	<u>58,011</u>	<u>15,264</u>	<u>4,926</u>	<u>78,201</u>	<u>-</u>
At 31 December 2022	58,011	15,264	4,926	78,201	-
Depreciation and impairment					
At 1 January 2022	21,554	1,355	773	23,682	-
Depreciation charged in the year	11,602	2,415	1,302	15,319	-
	<u>33,156</u>	<u>3,770</u>	<u>2,075</u>	<u>39,001</u>	<u>-</u>
At 31 December 2022	33,156	3,770	2,075	39,001	-
Carrying amount					
At 31 December 2022	<u>24,855</u>	<u>11,494</u>	<u>2,851</u>	<u>39,200</u>	<u>-</u>
At 31 December 2021	<u>36,457</u>	<u>12,579</u>	<u>2,028</u>	<u>51,064</u>	<u>-</u>

14 Investment

	Charity 2022 £	Charity 2021 £
Shares in group undertaking		
Cost or valuation		
At 1 January 2022	1	1
Additions	-	-
	<u>1</u>	<u>1</u>
At 1 January 2022 and at 31 December 2022	1	1
Carrying amount		
At 31 December 2022	<u>1</u>	

The charity holds 100% of the share capital of Saatchi Gallery, London Limited, a company registered in England and Wales (registration number 11712394)

THE SAATCHI GALLERY, LONDON

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

14 Investment

(Continued)

A summary of the results of the subsidiary is shown below:

	2022	2021
	£	£
Sales	8,099,122	2,784,699
Cost of sales	(1,546,548)	(283,175)
Gross profit	6,552,574	2,501,524
Administrative expenses	(1,934,886)	(4,395,794)
Other operating income	139,559	104,699
Trading profit/(loss)	4,757,247	(1,789,571)
Interest payable	-	(29,082)
Corporation tax	-	-
Retained profit/(loss) after tax	4,757,247	(1,818,653)

15 Stocks

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Finished goods and goods for resale	100,158	120,090	-	-

16 Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Amounts falling due within one year:				
Trade debtors	270,617	242,574	24,000	-
Amounts owed by fellow group undertakings	-	-	188,413	186,434
Other debtors	-	1,000,001	-	-
Prepayments and accrued income	244,642	664,148	-	-
	<u>515,259</u>	<u>1,906,723</u>	<u>212,413</u>	<u>186,434</u>

THE SAATCHI GALLERY, LONDON

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

17 Creditors: amounts falling due within one year

	Notes	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Other taxation and social security		308,340	230,765	2,345	-
Deferred income	18	1,145,938	3,072,521	545,000	-
Trade creditors		5,740,853	8,309,192	-	-
Other creditors		145,116	92,585	1	1
Accruals and deferred income		831,091	299,866	9,928	-
		<u>8,171,338</u>	<u>12,004,929</u>	<u>557,274</u>	<u>1</u>

In the prior accounting period, the charity's trading subsidiary, Saatchi Gallery, London Limited, recorded an overpayment of a trading loan balance of £226,289. Throughout that period and the current period attempts have been made to recover the overpaid balance without success. Whilst those attempts will continue, a provision for bad and doubtful debts of £226,289 was recognized in the financial statements during the 2021 accounting period and thus the net balance in the financial statements is £nil.

18 Deferred income

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Deferred income	<u>1,145,938</u>	<u>3,072,521</u>	<u>545,000</u>	<u>-</u>

Deferred income is included in the financial statements as follows:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Deferred income is included within:				
Current liabilities	<u>1,145,938</u>	<u>3,072,521</u>	<u>545,000</u>	<u>-</u>
Movements in the year:				
Deferred income at 1 January 2022	3,072,521	960,513	-	-
Released from previous periods	(3,072,521)	(960,513)	-	-
Resources deferred in the year	<u>1,145,938</u>	<u>3,072,521</u>	<u>545,000</u>	<u>-</u>
Deferred income at 31 December 2022	<u>1,145,938</u>	<u>3,072,521</u>	<u>545,000</u>	<u>-</u>

Deferred income represents amounts received in advance for services performed after the balance sheet date.

THE SAATCHI GALLERY, LONDON

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

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Within one year	1,500,000	1,712,246	-	-
Between two and five years	10,791,070	2,665,114	-	-
In over five years	8,961,210	-	-	-
	<u>21,252,280</u>	<u>4,377,360</u>	<u>-</u>	<u>-</u>

20 Events after the reporting date

On 26 June 2023 two corporate entities were appointed as trustees to the Charity. The new trustees are SG Trustee 1 Limited (formerly Courchevel Limited) and SG Trustee 2 Limited (formerly Chamonix Limited).

21 Related party transactions

Remuneration of key management personnel

During the accounting period, the Charity's trading subsidiary, Saatchi Gallery, London Limited, made payments of £177,750 (2021: £180,000) to Jet Support Services Limited, a company involved in some aspects of providing management and oversight services to the Charity.

The total employment benefits paid to employees considered Key Management Personnel are disclosed in Note 10.

22 Member's Liability

If the charity is wound up, the members of the charity have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

THE SAATCHI GALLERY, LONDON

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

23	Cash generated from operations	2022	2021
		£	£
	Surplus/(deficit) for the year	4,765,987	(1,817,153)
	Adjustments for:		
	Amortisation and impairment of intangible assets	3,000	2,750
	Depreciation and impairment of tangible fixed assets	15,319	13,730
	Movements in working capital:		
	Decrease in stocks	19,932	17,771
	Decrease in debtors	1,391,464	13,487
	(Decrease)/increase in creditors	(1,907,008)	1,396,872
	(Decrease)/increase in deferred income	(1,926,583)	2,112,008
	Cash generated from operations	2,362,111	1,739,465
24	Analysis of changes in net funds		
	The charity had no debt during the year.		
25	Prior period adjustment		

Changes to the balance sheet

	At 31 December 2021		
	As previously reported	Adjustment	As restated
	£	£	£
Creditors due within one year			
Trade Creditors	(6,601,643)	(1,707,549)	(8,309,192)
Unrestricted funds	(5,296,100)	(1,707,549)	(7,003,649)

Changes to the profit and loss account

	Year ended 31 December 2021		
	As previously reported	Adjustment	As restated
	£	£	£
Net movement in funds	(1,817,153)	-	(1,817,153)

Notes to reconciliation

Unrestricted funds

A prior year adjustment has been recognised in order to correct a material misstatement in the comparative figures. The misstatement relates to the recognition of the cost of entering into the rental lease for the charity's main premises. Initially, the cost and associated creditor had not been included in the consolidated financial statements. The adjustment is therefore correcting the unrestricted funds for the historic cost associated with entering into the lease agreement and recognising the corresponding balance in trade creditors.

THE SAATCHI GALLERY, LONDON

England & Wales - Charity number 1182328

Accounts

SAATCHI GALLERY

TRUSTEES REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 DECEMBER 2021

Charity Registration Number: 1182328 (England & Wales)

CONTENTS

Trustees’ Report	
Objectives & Activities	3
Financial Review	7
Plans for Future Periods	9
Structure, Governance & Management	10
Trustees’ Responsibilities Statement	11
Reference & Administration	12
Independent Auditor’s Report	14
Financial Statements	21

OBJECTIVES & ACTIVITIES

Since 1985, Saatchi Gallery has provided an innovative platform for contemporary art, presenting work by largely unseen young artists or by international artists whose work has been rarely exhibited in the UK. The Gallery has attracted millions of visitors to its London premises, hosts thousands of school & community visitors each year and has built a social media following of millions worldwide.

It would be impossible to discuss 2021 without addressing the extraordinary impact of the COVID-19 pandemic and the extensive closures that followed due to government restrictions, this being our third financial year of being impacted by COVID-19. During August 2020 we re-opened for the first time with a series of small exhibitions but were forced to close again a few months later – this government enforced closure lasted until June 2021 when we re-opened with our critically acclaimed JR: CHRONICLES main exhibition. We are pleased to report that since then, we have remained open and continued to provide an exciting and diverse mix of programming and events receiving widespread public and critical praise.

During the entire period of closures (from March 2020 to August 2020, and November 2020 to June 2021) we worked hard to meet our learning and charity objectives by moving them online to ensure we continued to deliver a wide range of activities to community groups and schools.

Key virtual initiatives included the extremely popular #SaatchiTakeover and Saatchi Art Club which focused on developing a creative platform for artists and audiences to engage online. Through Saatchi Takeover we hosted a series of weekly art challenges and artist talks and reached millions of social media followers worldwide. Through Saatchi Art Club our Learning Department kept delivering virtual activities to students and community groups. Since re-opening in June 2021, we have returned to on site activations and digital activations enabling us to maintain our core educational goals.



On-site workshop with community group Accumulate where participants enjoyed a hands-on photography workshop and learned about portraiture through the work of JR.

OBJECTIVES & ACTIVITIES

The Gallery's objective is to provide access to contemporary art to all and share with our local, regional and national communities the opportunity to explore, learn and engage with art. In 2019, Saatchi Gallery became a registered charity in order to further expand our commitment to supporting living artists and further expand access to contemporary art. Since then, the Gallery's funding has come from our corporate patrons, sponsors & donors, and our commercial activities.

The core activity of Saatchi Gallery, over its 38-year history, focus on offering unwavering support to emerging contemporary artists, with a strong commitment to supporting young British artists. Saatchi Gallery has an extremely high recognition factor amongst the British population and a strong reputation overseas, as supported by our highly popular online and social media following. For over 12 years in its current Chelsea premises, Saatchi Gallery has become a pivotal hub for local, city, national and international audiences, welcoming visitors of all ages to engage with contemporary art. We have an especially strong appeal to visitors between the ages of 16-30. By diversifying our annual programming, to include an exhibition such as Tutankhamun: Treasures of the Golden Pharaoh, we were able to reach a new senior and family demographic of visitors with whom we aim to engage on an on-going basis through our future exhibitions.

The Gallery is committed to developing opportunities for deeper engagement with schools, colleges, and universities by providing free or subsidised access to our exhibitions as well as talks, tours and creative workshops. We are proud partners of a wide variety of community groups from across the United Kingdom, typically delivering over 200 dedicated workshops a year to further expand access to contemporary art and creativity to vulnerable and hard-to-reach audiences. The Gallery's learning programmes are designed to reveal the possibilities of artistic expression, encourage fresh thought, and stimulate innovation in visitors of all ages and background.

Saatchi Gallery therefore complies fully with the Charity Commission's guidance on public benefit and its legal obligations.

The Charity's strategy for achieving its stated aims and objectives is to maximise income from multiple revenue streams in order to invest in exhibition programming, educational projects and outreach initiatives.

The Charity will generate revenue from the following activities:

- The Charity will seek to maximise revenue from ticket sales to selected exhibitions, from retail activity on site & online, and from commission from the operator of the restaurant.
- Income derived from the hire of spaces for exhibitions, events and private functions within the Gallery building.
- Revenue derived from corporate & foundation patrons, exhibition sponsors and the general public membership scheme.
- Collaborations with exhibition partners and supporting donors.

OBJECTIVES & ACTIVITIES

The Charity measures the success of its programming and educational initiatives by recording attendance figures and using varying methods of feedback to assess the demographic profiles of its audiences. Qualitatively, the Gallery also measures the depth of engagement and satisfaction levels amongst visitors and participants of its learning programmes. Revenue, margin, and profit contribution for all revenue streams are monitored closely.

During the pandemic period, only a year after the formation of the charity, the focus was on dealing with the huge impacts of the COVID-19 pandemic and creating a viable and stable future for Saatchi Gallery post-pandemic, this continues to be a core priority. The organisation consolidated its activities and streamlined its teams, including the Senior Management team and placed the majority of the team on furlough for parts of the year 2020 and 2021. Saatchi Gallery also took this opportunity to review the external contracts and to mothball certain areas of the building prior to their re-opening in June 2021 as soon as government restrictions were relaxed. Strategies for each organisational department were reviewed and aligned to the strategic goals of the Charity in accordance with the expected impact of the COVID-19 pandemic.

The year 2021, only our third of full operations as a charitable entity, involved huge disruption and residual impacts from it are likely to be felt for the next four years at least. The COVID-19 pandemic has led to not just seismic changes in the way the industry operates but has had a huge impact on the art world, artists, and all associated stakeholders. The pandemic, with associated economic issues, is likely to lead to long lasting structural changes to the industry. However, Saatchi Gallery, as a result of its funding structure; swift action in controlling and cutting costs; extensive and wide-ranging stakeholder support; strong brand name; and a business model that does not rely on any one funding stream extensively, is uniquely positioned to thrive in the post-pandemic world. It is likely 2022 and parts of 2023 will be again heavily disrupted, but Saatchi Gallery has a pipeline of exhibitions and is already seeing the impacts of appointments to the team made in 2020 and 2021.

Fundraising is a revenue stream utilised by Saatchi Gallery, both from organisations and individuals. Small scale fundraising takes place through donations in the premises and online, the average size donation is £4. Large scale fundraising, primarily targeting businesses and organisations, it is led by our senior management team with all aspects handled internally.

In-house policies and controls are used rather than external regulation schemes. Fundraising initiatives are discussed and reviewed on a weekly basis by Saatchi Gallery's senior management team. Saatchi Gallery has never received any complaints regarding its fundraising activities and does not target members of the public or vulnerable parties for any sizeable donations.



FINANCIAL REVIEW

The end of year Balance Sheet reflects the nature of the business operations and the significant and ongoing impact of COVID-19 on Saatchi Gallery. All cash reserves are held in Saatchi Gallery's current account, this policy is reviewed on an annual basis by the Trustees. The impact of COVID-19 on Saatchi Gallery and the industry has been well publicised and is clear from the financial performance of the organisation which has resulted from the premises being closed for the majority of 2020 and half of 2021. Further disruption to 2022 revenue has been experienced and will continue to impact through 2022, Saatchi Gallery responded swiftly in reducing costs, measures included:

- Negotiations concerning a lease re-gearing and extension
- Staff furlough
- Staff redundancies
- Suspension of non-essential maintenance
- Suspension of contracts
- General operational cost cutting measures
- Focus on sponsor and donor relationships to preserve revenue streams

We scheduled weekly COVID-19 meetings to monitor the impact of the global pandemic and discuss the financial implications of government regulations. COVID-19 and the economic recovery are seen as the key risk to Saatchi Gallery's financial future, but plans have been put in place to ensure the organisation can emerge from the pandemic stronger than ever.

Reserves Policy

A reserves policy has been considered and will be updated after the pandemic, once the accumulated deficits of £5.3 million have been erased, which is the initial objective.

Going Concern

As expected, the group has incurred significant losses in the year, due to the significant impact of the ongoing Coronavirus pandemic and resulting government enforced closures from March 2020 onwards. Some restrictions have continued into 2022 and international tourism continues to be heavily affected. The losses generated have resulted in a net liabilities position at the balance sheet date of £5,296,100. The group has reduced costs wherever possible, made redundancies, deferred payments, entered into re-negotiations with key suppliers and used relevant government support schemes such as the Coronavirus Job Retention Scheme. It is also in negotiations with the landlord and is expecting to re-gear and extend the lease (which represents the largest single cost to the group) whilst restructuring the historic liabilities from March 2020.

The group will continue to need stakeholder support during the recovery phase as lockdown is eased and normal operations can resume. However, current projections for 2022 onwards show a strong calendar of world class exhibitions which the organisation is confident will achieve strong public interest and allow a return to pre-Covid financial performance. The trustees note the material uncertainty arising as a result of the factors referred to above but have a reasonable expectation that the group will continue operating for the foreseeable future and at least twelve months from the date of approval of the financial statements.

*Chelsea Flower Show
commission by artist Dan
Rawlings (2021)*



PLANS FOR FUTURE PERIODS

Fundraising objectives and activities were significantly impacted by both the closures of the Gallery and the budget cuts made by key commercial brands in response to COVID-19. In 2021, the Gallery maintained close communication with current patrons and focused on these key activities:

- Renewal of key current patrons
- Securing exhibition sponsorship for 2021-2023 programming

In 2021, the Gallery confirmed the renewals of key corporate patrons and ensured patrons enjoyed virtual benefits while the Gallery remained closed, including: online artist talks, virtual workshops and dedicated social media activations. The Gallery confirmed art foundation Art Explora as headline supporter for the much-delayed JR: Chronicles exhibition and developed new strategies to secure exhibition sponsorships.

Our key corporate patrons in 2021 included: M&C Saatchi (Principal Patron), CHANEL, Fondation Carmignac, Eversheds-Sutherland, Euronews, Champagne Pommery and Robert Walters Group.

STRUCTURE, GOVERNANCE & MANAGEMENT

Saatchi Gallery continues to adhere to its governing documents.

No new trustees are envisaged at the time of writing nor any changes to the Trustee Board. However, should that change the senior management team would work with the Trustees to form a Recruitment Panel that would oversee the recruitment process. A detailed induction and training program would then be implemented by the senior management team. This induction program would mirror the existing program of ensuring Trustees are fully up to date on the organisation's status, financial performance, and charitable goals.

As a result of COVID-19, the Trustees have implemented a pay freeze on all salary levels, excluding any that are required to increase due to statutory regulations. This policy is under ad hoc review due to the increases in wage inflation. All pay levels are in line with market rates with any senior management pay change being subject to approval by the Trustees.

The charitable entity owns 100% of a subsidiary called Saatchi Gallery, London Limited. No other subsidiaries exist.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees of The Saatchi Gallery, London are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Charity law requires the trustees to prepare financial statements for each year that give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the charitable group for that period. In preparing the 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 charity and the group 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 charity and the group, to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



Johan Eliasch, Trustee, visits a school workshop exploring the JR: Chronicles exhibition.

REFERENCE & ADMINISTRATION

Registered Address

Saatchi Gallery
Duke of York's HQ
King's Road
London
SW3 4RY
United Kingdom

Charity registration number

1182328

Bankers

HSBC UK Bank plc
1 Centenary Square
Birmingham, B1 1HQ

Solicitors

Bryan Cave Leighton Paisner LLP
Adelaide House
London
EC4R 9HA

Auditors

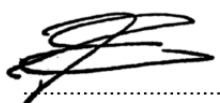
Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

The charity trustees delegated daily management of the charity to Paul Foster (Gallery Director).

Contact Details : paul@saatchigallery.com

Saatchi Gallery has two Trustees, Johan Eliasch, who acts as Chairman, and Maynard McLaren, both of whom have been Trustees since the charity was formed. Neither receive any remuneration for their time.

The Trustees' Report was approved and authorised by the trustees on 1 February 2022 and signed on their behalf by:



Trustee



London Grads Now II artist
Ronan Porter (2021)



INDEPENDENT AUDITOR'S REPORT

Qualified opinion on financial statements

We have audited the financial statements of The Saatchi Gallery, London (the 'charity') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charity Balance Sheets and Statement of Cash Flows, and notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2021 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for qualified opinion

With respect to stock having a carrying amount of £120,090 the audit evidence available to us was limited because we were unable to observe the counting of the physical stock as at 31 December 2021. Owing to the nature of the company's records, we were unable to obtain sufficient appropriate audit evidence regarding the stock quantities by using other audit procedures.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

The group has incurred a loss for the year ended 31 December 2021 of £1,817,153 and has incurred further losses subsequent to the year end. The group's results and activities have been significantly impacted by the ongoing Coronavirus pandemic and resulting government enforced closures from March 2020 onwards.

INDEPENDENT AUDITOR'S REPORT

The losses generated have resulted in a net liabilities position at the balance sheet date of £5,296,100. The group has reduced costs and deferred payments wherever possible and also taken advantage of relevant government assistance programmes such as the Coronavirus Job Retention Scheme. The charity is also in advanced negotiations with the landlord to re-gear and extend the lease (which represents the largest single cost to the group) whilst reducing and restructuring the historic liabilities from March 2020. Whilst there can be no certainty in this respect the trustees are confident that these negotiations will be able to be successfully concluded.

The group will continue to need stakeholder support during the ongoing process of recovery from the effects of the pandemic.

These factors, together with the other matters referred to in note 1.2 to the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

INDEPENDENT AUDITOR'S REPORT

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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

INDEPENDENT AUDITOR'S REPORT

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Date: 26 September 2022

Moore Kingston Smith LLP

Senior Statutory Auditor

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

The Shipping Building
The Old Vinyl Factory
Blyth Road
Hayes
London
UB3 1HA

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Work presented by artist
Tom Parker for London
Grads Now II (2021)



FINANCIAL STATEMENTS

The Saatchi Gallery, London

Consolidated Statement of Financial Activities
For the year ended 31 December 2021

		Unrestricted Funds 2021	Unrestricted Funds 2020
	Note	£	£
Income from:			
Charitable activities:			
Exhibitions		1,879,084	1,559,697
Donations and legacies	3	106,199	348,827
Other trading activities	4	905,615	418,318
Total income		2,890,898	2,326,842
Expenditure on:			
Charitable activities		3,694,906	3,101,579
Raising funds:			
Other trading activities		1,013,145	1,692,913
Total resources expended	5	4,708,051	4,794,492
Net movement in funds		(1,817,153)	(2,467,650)
Reconciliation of funds			
Total funds brought forward at 1 January 2021		(3,478,947)	(1,011,297)
Total funds carried forward at 31 December 2021		(5,296,100)	(3,478,947)

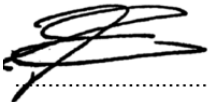
The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.
The notes form part of these accounts.

FINANCIAL STATEMENTS

The Saatchi Gallery, London

Consolidated and Charity Balance Sheets
As at 31 December 2021

	Notes	Group 2021	Group 2020	Charity 2021	Charity 2020
		£	£	£	£
Fixed assets					
Intangible assets	9	12,250	-	-	-
Tangible assets	10	51,064	48,059	-	-
Investments	11	-	-	1	1
Total Fixed assets		<u>63,314</u>	<u>48,059</u>	<u>1</u>	<u>1</u>
Current assets					
Stock		120,090	137,861	-	-
Debtors	12	1,906,723	1,920,210	186,434	184,934
Cash at bank and in hand		<u>2,911,153</u>	<u>1,203,423</u>	<u>-</u>	<u>-</u>
Total Current assets		<u>4,937,966</u>	<u>3,261,494</u>	<u>186,434</u>	<u>184,934</u>
Liabilities					
Creditors: amounts falling due within one year	13	(10,297,380)	(6,788,500)	(1)	(1)
Net current assets		<u>(5,359,414)</u>	<u>(3,527,006)</u>	<u>186,433</u>	<u>184,933</u>
Total assets less current liabilities		<u>(5,296,100)</u>	<u>(3,478,947)</u>	<u>186,434</u>	<u>184,934</u>
Creditors: amounts falling due after more than one year		-	-	-	-
Total assets less total liabilities		<u><u>(5,296,100)</u></u>	<u><u>(3,478,947)</u></u>	<u><u>186,434</u></u>	<u><u>184,934</u></u>
Funds of the charity:					
Unrestricted funds:		(5,296,100)	(3,478,947)	184,934	184,934
Total funds		<u><u>(5,296,100)</u></u>	<u><u>(3,478,947)</u></u>	<u><u>184,934</u></u>	<u><u>184,934</u></u>

Approved and authorised by the trustees on: 

Johan Eliasch
Trustee

The notes form part of these accounts.

FINANCIAL STATEMENTS

The Saatchi Gallery, London

Statement of Cash Flows and Consolidated Statement of Cash Flows
For the year ended 31 December 2021

	Note	Group 2021 £	Group 2020 £
Cash flows from operating activities:			
Cash provided by / (used in) operating activities	17	1,739,465	600,578
Cash flows from financing activities:			
Cash inflows from new borrowing		-	1,641,285
Purchase of tangible fixed assets		(16,735)	-
Purchase of intangible fixed assets		(15,000)	-
Increase in cash and cash equivalents in the year		1,707,730	2,241,863
Cash and cash equivalents at the beginning of the year		1,203,423	-
Total cash and cash equivalents at the end of the year		2,911,153	2,241,863

FINANCIAL STATEMENTS

The Saatchi Gallery, London

Notes to the Financial Statements
For the year ended 31 December 2021

1 Statement of Accounting Policies

The Saatchi Gallery, London is a charitable incorporated organisation registered with the Charity Commission in England and Wales (Charity No. 1182328).

1.1 Basis of Preparation

The financial statements have been prepared in accordance with 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) (Charities SORP (FRS 102)), and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Saatchi Gallery, London Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost of transaction value unless otherwise stated in the relevant accounting policy.

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

1.2 Going Concern

As expected, the group has incurred significant losses in the year, due to the significant impact of the ongoing Coronavirus pandemic and resulting government enforced closures from March 2020 onwards. Some restrictions have continued into 2022 and international tourism continues to be heavily affected.

The losses generated have resulted in a net liabilities position at the balance sheet date of £5,296,100. The group has reduced costs wherever possible, made redundancies, deferred payments, entered into re-negotiations with key suppliers and used relevant government support schemes such as the Coronavirus Job Retention Scheme. It is also in negotiations with the landlord and is expecting to regear and extend the lease (which represents the largest single cost to the group) whilst restructuring the historic liabilities from March 2020. Whilst there can be no certainty in this respect the trustees are confident that these negotiations will be able to be successfully concluded.

The group will continue to need stakeholder support during the ongoing process of recovery from the effects of the pandemic. However, current projections for 2022 onwards show a strong calendar of world class exhibitions which the organisation is confident will achieve strong public interest and allow a return to pre-Covid financial performance.

The trustees note the material uncertainty arising as a result of the factors referred to above but have a reasonable expectation that the group will continue operating for the foreseeable future and at least twelve months from the date of approval of the financial statements. As a result, the financial statements have been prepared on a going concern basis.

1.3 Group financial statements

The trustees have prepared group accounts in accordance with section 138 of the Charities Act 2011. The financial statements consolidate the results of the charity and its whole owned subsidiary Saatchi Gallery, London Limited on a line-by-line basis.

1.4 Income

All income in the Statement of Financial Activities is shown gross of the associated costs and is accounted for where there is entitlement to the income, it is probable that the benefits associated with it will flow to the charity and it can be reliably measured.

Government grants (relating to the Coronavirus Job Retention Scheme) are included in the Statement of Financial Activities on a receivable basis when there is entitlement to the income.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs according to a category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Expenditure on raising funds

Direct and support costs associated with generating funds for the charity.

Expenditure on charitable activities

These costs include expenditure associated with the delivery of the objects of the charity and include both the direct costs and support costs relating to these activities.

Governance costs

Those costs incurred in connection with the management of the group's assets, organisational administration and compliance with constitutional and statutory requirements.

FINANCIAL STATEMENTS

The Saatchi Gallery, London

Notes to the Financial Statements (continued)
For the year ended 31 December 2021

1 Statement of Accounting Policies (continued)

1.6 Intangible fixed assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

Software	5 years straight line
----------	-----------------------

1.7 Tangible fixed assets

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

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

Leasehold improvements	5 years straight line
Fixtures and fittings	6 years straight line
Computers	3 years straight line

1.8 Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stock to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Cash and cash equivalents

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

2 Financial instruments

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

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently carried at amortised cost using the effective interest method.

2.1 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.11 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the Statement of Financial Activities for the period.

2 Critical accounting estimates and areas of judgement

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

In the view of the trustees in applying the accounting policies adopted, no critical judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any critical estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

FINANCIAL STATEMENTS

The Saatchi Gallery, London

Notes to the Financial Statements (continued)
For the year ended 31 December 2021

3	Income from donations and legacies	Unrestricted funds	Unrestricted funds
		2021	2020
		£	£
	Donations	1,500	184,934
	Government grant	104,699	163,893
		<u>106,199</u>	<u>348,827</u>

FINANCIAL STATEMENTS

The Saatchi Gallery, London

Notes to the Financial Statements (continued)
For the year ended 31 December 2021

4 Income from other trading activities			Unrestricted funds	Unrestricted funds
			2021	2020
			£	£
Exhibitions and sponsorship			164,407	118,556
Commercial trading			682,082	209,348
Other			59,126	90,414
			905,615	418,318
5 Resources Expended				
		Direct costs	Support costs	Total
		£	£	2021
				£
Expenditure on raising funds		407,893	605,252	1,013,145
Expenditure on charitable activities		-	3,694,906	3,694,906
		407,893	4,300,158	4,708,051
Incoming resources for the year is stated after charging:			2021	2020
			£	£
Depreciation			13,730	9,952
Auditor's remuneration:				
Audit fees			15,500	14,500
Fees in respect of prior years			5,255	8,000
Other fees			3,245	5,500
6 Support costs				
	Basis of allocation	Raising funds	Charitable activities	Total
				2021
				£
Staff costs	Staff time	115,830	656,367	772,197
Rent	Use of premises	85,612	1,626,635	1,712,247
Other premises costs	Use of premises	54,284	1,031,400	1,085,684
Promotions and exhibitions	Staff time	83,768	53,557	137,325
Other office costs	Staff time	67,268	201,803	269,070
Finance costs	Staff time	19,732	12,615	32,347
Legal and professional fees	Staff time	23,332	14,917	38,249
Bad debt expense	Staff time	138,036	88,253	226,289
Governance	Staff time	14,640	9,360	24,000
		602,502	3,694,906	4,297,408
				4,716,934

7 Trustees and key management personnel

No trustee received any remuneration nor were they reimbursed any expenses in the year or in the prior period.

The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services was £87,301 (2020: £167,067).

FINANCIAL STATEMENTS

The Saatchi Gallery, London

Notes to the Financial Statements (continued)
For the year ended 31 December 2021

8 Employees

	2021 No.	2020 No.
The average monthly number of employees during the year was:	26	29
Staff costs during the period were:	2021 £	2020 £
Wages and salaries	677,691	779,608
Social security costs	58,196	65,838
Pension contributions	19,571	21,905
Temporary staff	14,236	11,282
Other staff costs	2,503	2,128
	772,197	880,761

The number of employees whose annual employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
£60,001 - £70,000	-	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	-
£90,001 - £100,000	-	1

9 Intangible Fixed Assets

	Group Computer Software £	Group Total Assets £	Charity Total Assets £
Cost			
At 1 January 2021	-	-	-
Additions	15,000	15,000	-
At 31 December 2021	15,000	15,000	-
Depreciation			
At 1 January 2021	-	-	-
Charged in year	2,750	2,750	-
At 31 December 2021	2,750	2,750	-
Net book values			
At 31 December 2021	12,250	12,250	-
At 31 December 2020	-	-	-

FINANCIAL STATEMENTS

The Saatchi Gallery, London

Notes to the Financial Statements (continued)
For the year ended 31 December 2021

10	Tangible Fixed Assets	Group Leasehold Improvements £	Group Computer Equipment £	Group Fixtures & Fittings £	Group Total Assets £	Charity Total Assets £
	Cost					
	At 1 January 2021	58,011	-	-	58,011	-
	Additions	-	2,801	13,934	16,735	-
	At 31 December 2021	<u>58,011</u>	<u>2,801</u>	<u>13,934</u>	<u>74,746</u>	<u>-</u>
	Depreciation					
	At 1 January 2021	9,952	-	-	9,952	-
	Charged in year	11,602	773	1,355	13,730	-
	At 31 December 2021	<u>21,554</u>	<u>773</u>	<u>1,355</u>	<u>23,682</u>	<u>-</u>
	Net book values					
	At 31 December 2021	<u>36,457</u>	<u>2,028</u>	<u>12,579</u>	<u>51,064</u>	<u>-</u>
	At 31 December 2020	<u>48,059</u>	<u>-</u>	<u>-</u>	<u>48,059</u>	<u>-</u>
11	Investments					
	Shares in group undertakings					
	Cost or valuation				Charity 2021 £	Charity 2020 £
	At 1 January 2021				1	1
	Additions				-	-
	At 1 January 2021 and at 31 December 2021				<u>1</u>	<u>1</u>
	Carrying amount					
	At 31 December 2021				<u>1</u>	

The charity holds 100% of the share capital of Saatchi Gallery, London Limited, a company registered in England and Wales (registration number 11712394)

A summary of the results of the subsidiary is shown below:

	Year to 31-Dec-21 £	Year to 31-Dec-20 £
Sales	2,889,398	2,141,908
Cost of sales	(407,893)	(77,558)
Gross profit	<u>2,481,505</u>	<u>2,064,350</u>
Administrative expenses	(4,267,811)	(4,648,994)
Trading loss	<u>(1,786,306)</u>	<u>(2,584,644)</u>
Interest payable	(32,347)	(67,940)
Corporation tax	-	-
Retained profit/(loss) after tax	<u>(1,818,653)</u>	<u>(2,652,584)</u>

FINANCIAL STATEMENTS

The Saatchi Gallery, London

Notes to the Financial Statements (continued)
For the year ended 31 December 2021

12 Debtors

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Trade debtors	242,574	178,074	-	-
Amounts owed by subsidiary	-	-	186,434	184,934
Prepayments and accrued income	664,148	654,959	-	-
VAT repayable	-	87,177	-	-
Other debtors	1,000,001	1,000,000	-	-
	<u>1,906,723</u>	<u>1,920,210</u>	<u>186,434</u>	<u>184,934</u>

13 Creditors: Amounts falling due within one year

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Trade creditors	6,601,643	3,363,898	-	-
Taxation and social security	226,081	180,221	-	-
Other creditors	97,269	187,473	1	1
Accruals and deferred income	3,372,387	1,415,623	-	-
Other borrowings	-	1,641,285	-	-
	<u>10,297,380</u>	<u>6,788,500</u>	<u>1</u>	<u>1</u>

Other borrowings represent an unsecured loan.

Deferred income brought forward	960,513	613,333	-	-
Released from previous years	(960,513)	(613,333)	-	-
Resources deferred in the year	3,072,521	960,513	-	-
Deferred income carried forward	<u>3,072,521</u>	<u>960,513</u>	<u>-</u>	<u>-</u>

Deferred income represents amounts received in advance for services performed after the balance sheet date.

14 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Land and buildings:				
Due in less than one year	1,712,246	1,712,246	-	-
Due in 2 to 5 years	2,665,114	2,665,114	-	-
	<u>4,377,360</u>	<u>4,377,360</u>	<u>-</u>	<u>-</u>

15 Members' Liability

If the charity is wound up, the members of the charity have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

16 Related Party Transactions

During the year and prior period there were no related party transactions.

FINANCIAL STATEMENTS

The Saatchi Gallery, London

Notes to the Financial Statements (continued)
For the year ended 31 December 2021

17 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Group 2021 £	Group 2020 £
Net movement in funds	(1,817,153)	(2,467,650)
Amortisation (note 9)	2,750	-
Depreciation (note 10)	13,730	9,952
(Increase)/Decrease in stocks	17,771	(20,811)
(Increase)/Decrease in debtors	13,487	15,730
Increase/(Decrease) in creditors	3,508,880	3,063,357
Net cash provided by / (used in) operating activities	1,739,465	600,578



SAATCHI GALLERY