

Company No. 02290200

Charity No. 327978

CARTOON ART TRUST LIMITED
(Limited by guarantee, not having a share capital)

REPORT OF THE TRUSTEES
AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Civvals Limited
50 Seymour Street
London
W1H 7JG

CARTOON ART TRUST LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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CARTOON ART TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, submit their annual report and the audited financial statements for the year ended 31 December 2021.

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

Reference and Administrative Details of the Charity, its Trustees and Advisers

Name

The name of the Charity is "Cartoon Art Trust Limited" (CAT). The Charity also operates under the name of "The Cartoon Museum". Since 1 January 2007, the trading activities have been carried out through a subsidiary company "The Cartoon Museum Limited".

Number

The Charity's registration number is 327978.

The company's registered number is 02290200.

Address

The principal office of the Charity is our museum premises at 63 Wells St, Fitzrovia, London, W1A 3AE, which is also the registered office of the company.

Trustees and Directors

The Trustees and Directors during the year were:

O N Preston (Chairman)

The Rt. Hon. Lord Baker of Dorking CH (Deputy Chairman) (Resigned 10 February 2022)

M S Russell FCMA (Treasurer)

S W M Bell

J T S Bower FCA

S O'Connell

M Rowson

S C Spink

M Bryant (Resigned 9 December 2021)

Hannah Berry (Appointed 13 May 2021)

Alex Williams (Appointed 13 May 2021)

Management and Senior Staff

Throughout 2021 management responsibility lay primarily with the Trustees, with day-to-day responsibility delegated to the Director, Joe Sullivan. The Director reports to the Chairman and board of Trustees, and the Curator and operational team to the Director.

Other Relevant Persons and Organisations

Company Secretary: Mrs S Potter MBE (resigned 30 June 2021)
M S Russell (appointed 1 July 2021)

Independent

Examiner: Mark Tullett FCA, Civvals Limited,
50 Seymour Street, London, W1H 7JG

Bankers:

The Royal Bank of Scotland plc.
127-128 High Holborn, London, WC1V 6PQ

CAF Bank Limited,
25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

CARTOON ART TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, Governance and Management

Constitution and Governing Document

The Charity is a company limited by guarantee and was set up on 25 August 1988. It is governed by its Memorandum and Articles of Association which were last amended on 20 October 1988.

Recruitment and Appointment of New Trustees

Applications for trusteeship are invited from the list of members who have been admitted by the Trustees. Under company law, one third of all Trustees retire each year in rotation.

Policies and procedures for the Induction and Training of Trustees

New trustees are provided with an 'Induction Pack' and are given a personal tour of the museum by staff. In addition, Trustees are encouraged to attend specialised training where appropriate.

The Organisational Structure of the Charity

The management of the charity is by the Trustees, who are Directors for the purposes of company law. A list of Trustees who served during the year and any changes up to the date of this report are set out on page 1.

All major decisions regarding the organisation of the charity are taken by the Trustees to whom its Director, Joe Sullivan, reported. The Trustees held five meetings during the year.

The Charity has a Finance and Audit Committee, chaired by the Treasurer, which reports to the Board and considers all financial issues, including the management and statutory accounts and annual budgets. This Committee met five times during the year, usually immediately ahead of Board meetings.

Additionally, there is a Museum Acquisitions Committee, chaired by Martin Rowson, which approves accessions to the Museum's Collection, and an Events and Exhibition Committee chaired by Sheila O'Connell. These committees meet on an ad-hoc basis as and when is appropriate.

Relationships and Collaborations with Other Charities and Organisations

During 2021, the Charity received support and funding from Arts Council England (£96k), and the Young Westminster Foundation (£18k) both fully spent in the year and The Foyle Foundation (£35k which was mostly carried forward into 2022) to support learning projects, and from ICON's Collections Care Stimulus Fund supported via the Radcliffe Trust (£1250) for a conservation project.

During 2021 the Charity hosted a range of educational events and activities for a wide range of audiences. This included learning workshops during the Easter holidays (while the museum was closed due to pandemic restrictions), the June and October half-terms, and for four weeks of the summer holidays. Workshops at Easter and in June were an online-only offer, and during the summer we returned to holding some workshops on site with reduced capacity while maintaining an online offer, an approach which was continued in October. We found that in-person workshops were in higher demand than online workshops, but that online workshops offered an alternative way to be involved for those either at risk or uncomfortable with travelling, or in some cases living far away (including in other countries). As a result, we have maintained a hybrid approach into 2022. In total 434 children took part in drawing workshops in 2021. We also ran mental health workshops for MIND in Harrow, and a funded project called Life Under Lockdown with youth clubs in our local borough, Westminster, that encouraged young people to draw comics about their experiences of the UK lockdown. Their comics and cartoons were collected into a comic book that was available at local libraries, and a travelling display that is currently on display in Church Street library. We also held adult workshops around zine making and graffiti, that in total had 22 attendees.

The Museum held book launch events for Britain's Greatest Political Cartoons, by Tim Benson; Happy Here: 10 Stories from Black British Authors; The Renegades: Flames of Amazonia by David Selby, Jeremy Brown and Katy Jakeway; and The Middle Ages: A Graphic History by Eleanor Janega. We also held the launch of Black, a graphic novel by Tobias Taitt and Anthony Smith that was accompanied by a three-month In Focus exhibition and a free online panel discussion.

CARTOON ART TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Open House Day was a popular event at the museum, with 226 visitors coming to the museum on a free opening weekend on 4/5 September. Secondary spend was strong, with takings on par with usual weekend days despite lacking entrance fees. We also held the Tripwire Awards in August 2021. Additionally, we held several online talks with artists relating to our exhibition programme including with David Lloyd (V for Vendetta) and Natasha Natarajan (FML Comics). In-person events returned in October, when the easing of restrictions made the situation more comfortable for attendees. We held a celebration of Sydney Jordan event, a V for Vendetta late evening, an event unveiling a new bust of James Gillray, and openings for our Black and Laughter Lab exhibitions.

Due to the pandemic much of our partnership working did not occur. However, we maintained our strategic relationships with Westminster University's MA Museum course, the British Cartoonists' Association, and The Professional Cartoonists' Organisation. We also worked with local partners including the Young Westminster Foundation and youth clubs to promote and deliver our Life Under Lockdown pilot. The success of this pilot led to successful funding bids to support community engagement work in 2022, including hiring a Community Engagement Officer who joined us in November 2021.

Major Risks

2021 saw ongoing risk to the museum caused by the COVID-19 pandemic, which resulted in the Museum being closed for four and a half months (following eight months of closure during 2020). This posed a sizeable risk to running costs, with 75% of income derived through the door (ticket sales, events, learning, hire etc). There was very little footfall in the first part of the year, and few schools or tourists visiting. The Museum met these risks through continuing a conservative strategic approach, raising commercial income and visitor footfall to manageable levels (visitor footfall reached a high of 78% of the last comparable period in September/October, against an average of 37% across all UK museums) and continuing successful fundraising. As a result of the measures taken, immediate risks during 2020-2021 relating to possible closure and staff redundancies were avoided. The Finance and Audit Committee, chaired by Treasurer Mike Russell, met regularly throughout 2021 monitoring financial risks and exposure, and supported the museum's fundraising campaigns.

A secondary risk relating to the pandemic is on the health and wellbeing of staff, both in terms of physical health, and mental wellbeing, particularly relating to the public reopening of the museum. All risks were assessed, with a Risk Management Committee being formed, and appropriate safety and distancing measures were introduced. While COVID cases among staff and volunteers have been very low, one long-serving staff member, Alison Brown, passed away in January 2021 due to catching COVID in hospital while being treated for an unrelated illness. This caused an additional risk relating to staff and volunteers' mental wellbeing, and as such they were supported by the Director and Board of Trustees through the grieving period.

The assessment of the major risks to which the charity is exposed is reviewed annually and any necessary changes to systems (developed to monitor and control these risks to mitigate any impact that they may have on the charity's activities) are implemented.

Objectives and Activities

Public Benefit & Objectives of the Charity

The Cartoon Museum champions cartoon and comic art, highlighting its value to culture and society. Through our programme of exhibitions, events and workshops, we aim to:

- Conserve and provide access to Britain's cartoon, caricature and comic art heritage.
- Encourage participation in and raise awareness of a popular artform.
- Support new work by cartoonists and comics artists.
- Operate a Learning Programme to help achieve these aims.

The Trustees have adopted the following Statement of Purpose:

"The Cartoon Art Trust is dedicated to preserving the best of British cartoons, caricatures, comics and animation, and to establish a museum with a gallery, archives and innovative exhibitions to make the creativity of cartoon art, past and present, accessible to all for the purposes of education, research and enjoyment".

CARTOON ART TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The Charity's Aims

To promote, maintain, improve and advance education particularly by the encouragement of the art of drawing with special reference to social and contemporary subjects and by instituting and managing exhibitions and establishing, maintaining and operating a museum or museums, libraries, and places where drawings, cartoon art, caricatures, graphic work and similar art, and related or relevant literature of an educational nature can be exhibited, stored and made available to the public and generally to encourage the visual arts and for that purpose any other art.

The Charity's Main Objectives for 2021

The Trustees recruited Holly Burrows (previously employed at the House of Illustration) as Commercial Manager, who took up her post in April 2021. We also recruited Amba Malekin-Goneni as Community Engagement Officer for a fixed-term one-year post, funded by the Foyle Foundation, beginning November 2021.

A key objective for 2021 was to continue to stabilise and grow the Charity's finances following eight months of closure during 2020 due to the COVID-19 pandemic, which followed the site move to new premises and a major capital project in 2019. This was undertaken via raising sustainable income generation levels through all avenues, primarily footfall and commercial activity. The long-term goal is to sustain the business by raising annual visitor numbers from 25,000 to 40,000. The other key objectives were to engage wider audiences and further professionalise museum operations. Development of a new interim strategic plan was in process during 2021, with consultation from Paddy McNulty Associates. The Strategy to 2023 was signed off in early 2022.

Due to the coronavirus pandemic the Museum was closed to the public until 17 May 2021. Staff were furloughed until April, when funding from a successful application to Arts Council England's Cultural Recovery Fund round 2 enabled staff to return to work to develop and build new attractions and commercial opportunities ready for opening in May. In May the museum re-opened 6 days per week with a new EPOS till system and members system and two new exhibitions, as well as opportunities in place for venue hires to take place.

Initial visitor return levels were around the 35% of previous comparable periods, but from the summer onwards visitor numbers increased from 50% to 80% last comparable, before slowing down again in November-December as the onset of the Omicron wave began to cause uncertainty. The museum was bolstered during the reopening periods by significant PR spots on BBC radio channels and TV spots on ITN news and London Live.

Museum operations and finances were more secure than in 2020, but the extended closure and associated recovery period in 2021 have continued to create uncertainty for the Museum's finances and its future operations. Trustees have again been highly active in increasing the museum's resilience to the impact of the coronavirus pandemic and ensuring the security of the museum's future.

The Trustees and the Directors have been active in scenario planning during 2021 and into 2022, and we are currently performing better than expected – with expenditure lower than forecast and income higher – but are still expecting continued reduced visitor numbers and a drop in attendance of key school and international audiences.

As an independent charity, with limited sources of income during, and beyond, the closure period will be donations from supporters, applications to charitable trusts and payments under the Government scheme for furloughed staff. The Trustees are additionally continuing to explore opportunities for online activities and exhibitions to maintain its brand and public awareness. Due to the support of supporters and charitable trusts during 2020 and 2021, and Covid Business support grants, and Culture Fund Recovery grants the Charity has adequate resources to continue for the foreseeable future.

CARTOON ART TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and Performance

Visitors

During the year there were 8,388 total visitors (7,112 admissions) to the Museum (May - December), up from 6,848 in January – December 2020 allowing for eight months of closure. This rise can largely be attributed to the Museum being closed for less months of the year (4.5 months), and visitor numbers took time to recover and only reached a peak in September/October before falling again in the Winter.

Exhibitions

In 2021 the following exhibitions were held:

Drawing Life: The Cartoon Museum Permanent Collection (permanent display from July 2019)

V for Vendetta: Behind the Mask (May - November 2021)

Natasha Natarajan's FML Comics In Focus (May – July 2021)

Protest Stories Online exhibition (August – November 2021)

Ralph Steadman: Hidden Treasures In Focus (August – September 2021)

Black: The Story of Tobias Tait In-Focus (October 2021 – January 2022)

Laughter Lab (November 2021 – June 2022)

Education including Group and School Visits

Between January and December 2021, the Museum delivered 17 classes to 439 adults and children. This represents an approximately 45% decrease on 2020 school bookings (though it should be noted that almost all 2020 bookings were pre-pandemic). Implementing the findings of a learning review, which took place in late 2021, has struggled to find any success in raising bookings due to the closure and schools' reluctance to visit museums. Holiday workshops overall increased in attendance, though this is largely due to all workshops except in February and October being cancelled in 2020. Digital workshop delivery was trialled in 2021, with Easter and June school holiday workshops entirely online. A digital delivery component was kept in the programme when in-person workshops started again.

Volunteers

The museum has worked with 25 volunteers during the year. We are very grateful for their efforts in assisting museum visitors and staffing the shop, and for their significant assistance in sanitising the site during the September reopening, to ensure visitors coming during the reopening period were safe and felt valued and looked after.

Access

The museum has offered free access to visitors with learning disabilities and their carers. The museum also published advice for autistic visitors to support them returning to the site post-lockdown with social distancing measures in place.

Library

The Heneage Library was securely shelved following the December 2019 move, and it is planned that it will eventually be made more accessible at the Margaret Street premises, where slow progress is being made with un-boxing. The library contains over 18,000 books and comics, with non-valuable items kept at the Camberwell storage facility.

Collection

There were no further acquisitions during the year (2020: £0).

There were £650 in donated Cartoon art gifts in 2021 (2020: £0).

CARTOON ART TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Financial Review

The Statement of Financial Activities for 2021 is set out on page 10 of the Financial Statements and is reviewed below.

Incoming Resources

Incoming resources during 2021 totalled £341,953, (2020: £537,269), the major elements being:

- a) the receipt of donations including grants of £277,628, (2020: £496,095).
Of this £50,000 was received from the Hintze Trust as a result of fundraising to support our costs in moving to Wells St, (2020: £50,000 Hintze Trust, £25,000 Clore Duffield).
Total other donations were £227,628, (2020: £421,095).
Of this total Restricted Grants received of £107,280 (2020 £115,230) comprising £96,000 Arts Council England, £6,506 Westminster Foundation and £4,774 grant from the Foyle Foundation, (2020: £115,130 HLF).
£97,003 was received in Covid Government Business support grants (2020: £98,982)
Other donations were £23,345 including donations from supporters, gift aid and valuation of donated cartoons of £650 (2020: £nil).
- b) Income from Charitable activities of £64,305 (2020: £41,169) an improvement on 2020 as the periods in which the Museum was closed due to Covid-19 regulations were much less and numbers of visitors and commercial revenue began to steadily improve during the year.

Income from activities includes a donation of £Nil (2020: £Nil) from the trading subsidiary company, the Cartoon Museum Limited. The accounts of this company show that sales of merchandise totalled £22,733 in 2021 (2020: £13,052). Both figures are net of VAT. After deducting cost of sales, direct expenses, and a recharge of overheads (property, staffing and administration) of £15,290 (2020: £16,573), the subsidiary company's results show a net loss before tax of £15,619 (2020: loss of £28,459).

Resources Expended

Resources expended on the activities outlined above were £300,961 (2020: £266,815) and are detailed in Note 3 to the Financial Statements.

Costs of generating funds from trading are borne by the subsidiary company.

Resources fully expended from the restricted funds as detailed above were £107,280 (2020 £115,130).
Unrestricted funds expended on raising funds and the collection and exhibitions' charitable activities totalled £193,681 (2020 £212,006) and includes a high percentage of the rent and other property costs of the Museum (apportioned on a floor area basis) and salary costs which are allocated on a time basis over their various activities.

Net Results for the Year 2021

The results for the year show a surplus on net movement in funds of £40,992 (2020: £270,454) being a surplus of £40,992 on unrestricted funds and a break-even position on restricted funds. (2020: unrestricted surplus £210,133, restricted surplus before transfers £60,321).

No transfers between Restricted and Unrestricted funds were made in the year (2020 £62,930 from Unrestricted to Restricted).

Cash balances were £273,587 (2020: £272,212).

Investment Powers and Reserve Policy

Under the Memorandum and Articles of Association, the Trustees have the power to invest and manage the moneys of the Company not immediately required in such manner as the Company may from time to time determine.

The Trustees, having regard to the liquidity requirements of operating the Museum and to the reserves policy, consider that two months of operating expenditure is a minimum cash requirement for the Charity. Interest rates achieved for 2020 were low as in 2019 in line with general market conditions.

CARTOON ART TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Accounting and Reporting Responsibilities

These Financial statements reflect only the transactions as they affect the Company. Consolidated group accounts have not been prepared as there is no legal requirement for them.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the situation of the Charity and of its surplus or deficit for that period.

The Trustees confirm that appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 2021. The Trustees also confirm that applicable accounting standards have been followed.

The Trustees are responsible for keeping adequate accounting records, for safeguarding the assets of the Company and for taking reasonable steps to prevent and detect fraud and other irregularities.

Plans for Future Periods

The Museum aims to stay open to the public throughout 2022, with COVID-19 restrictions having been completely removed in England. We have a diverse range of exhibitions planned through the year. Footfall has climbed until late Spring, and we hope to be close to 80% of pre-pandemic footfall in the lead-up to the summer holidays, and at 100% in September/October. We will continue delivery of the Strategy to 2023, including marketing and audience planning, and continue to implement findings from the Alvarez and Marsal review of our retail operation in 2020, and will continue to implement the learning review findings and evaluate results.

The Museum will begin an audit of its art collections of approximately 3000 cartoons and 402 comic art pages in January 2022. The audit will identify key information about the art collection such as the gender, ethnicity, sexual orientation of the artist and the art piece. This will enable the Museum to understand the stories and artists currently represented in its collections, and where gaps may exist that prevent us from telling a full history of British cartooning and comics. The audit will inform future collection and exhibition policies, enabling us to diversify our collections, displays, and audiences. The audit will also register key details relating to copyright, including what copyright-free art we own, and where possible rights holder for copyrighted material. This will support our commercial and marketing arms, creating more opportunities to use the collection for generating income.

Four In-Focus exhibitions are currently planned (subject to change) for 2022– Judge Dredd at 45 (January – March); Artists in Love (April – June); Dialogues with Daryl (July – September); and Boris Johnson (October-December). We will open two larger temporary exhibitions in 2022: Bryan Talbot’s Luther Arkwright: 50 Years of a British Comic Legend (June – September); and a TBC Q4 exhibition on People of Colour in Cartooning.

We have had success in project fundraising in 2021 that will support new engagement work in 2022. This includes rolling out our Life Under Lockdown project again, but to wider boroughs; increased community partnership working including a mental health project with international university students in London; and a new programme around autism-related work including a new school session and relaxed Monday opening events. We aim for a successful delivery of the project and to source new funding to support continuation of the programme in 2023. Through this engagement work and our exhibition programming, we are aiming to diversify our audience and create better access points.

CARTOON ART TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees' Responsibilities in relation to the Financial Statements

The Trustees (who are also the Directors of Cartoon Art Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

This report is prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.



O N Preston - Chairman

25th August 2022

INDEPENDENT EXAMINER'S REPORT OF THE TRUSTEES

CARTOON ART TRUST LIMITED

I report to Cartoon Art Trust Limited trustees on my examination of the accounts for the year ended 31 December 2021 set out on pages ten to twenty one.

Respective responsibilities of trustees and examiner

Cartoon Art Trust Limited trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts in accordance with the requirements of Companies Act 2006 ('the 2006 Act').

Having satisfied myself that Cartoon Art Trust Limited is not subject to audit under Part 16 of Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the Charities Act 2011 (the '2011 Act');
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

Since Cartoon Art Trust Limited gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

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

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

Mark Tullett

Mark Tullett FCA
Civvals Limited
50 Seymour Street
London
W1H 7JG

25 August 2022

CARTOON ART TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2021

		2021		
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £
Income	2			
From Generated Funds				
Donations		170,348	107,280	277,628
From Charitable Activities				
Operation of a Museum for the purposes of education, research and enjoyment		64,305	-	64,305
Investment Income		20	-	20
Total Income		<u>234,673</u>	<u>107,280</u>	<u>341,953</u>
Resources Expended				
Costs of Raising Funds	3.1	22,643	-	22,643
Charitable Activities	3.2	171,038	107,280	278,318
Total Resources Expended		<u>193,681</u>	<u>107,280</u>	<u>300,961</u>
Net Income / (Expenditure) for the year	4.1	40,992	-	40,992
Transfers between funds		-	-	-
Net Movement in Funds		<u>40,992</u>	<u>-</u>	<u>40,992</u>
Total Funds brought forward		1,979,094	306,772	2,285,866
Total Funds carried forward		<u>2,020,086</u>	<u>306,772</u>	<u>2,326,858</u>

Movements in Funds are disclosed in Note 11 to the financial statements.
There were no recognised gains and losses other than the above results for the two financial years.
All income and expenditure derives from continuing activities.

CARTOON ART TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account-continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

		2020		
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £
Income	2			
From Generated Funds				
Donations		380,965	115,130	496,095
From Charitable Activities				
Operation of a Museum for the purposes of education, research and enjoyment		41,169	-	41,169
Investment Income		5	-	5
Total Income		<u>422,139</u>	<u>115,130</u>	<u>537,269</u>
Resources Expended				
Costs of Raising Funds	3.1	27,464	-	27,464
Charitable Activities	3.2	184,542	54,809	239,351
Total Resources Expended		<u>212,006</u>	<u>54,809</u>	<u>266,815</u>
Net Income / (Expenditure) for the year	4.1	210,133	60,321	270,454
Transfers between funds		62,930	(62,930)	-
Net Movement in Funds		<u>273,063</u>	<u>(2,609)</u>	<u>270,454</u>
Total Funds brought forward		1,706,031	309,381	2,015,412
Total Funds carried forward		<u>1,979,094</u>	<u>306,772</u>	<u>2,285,866</u>

Movements in Funds are disclosed in Note 11 to the financial statements.

There were no recognised gains and losses other than the above results for the two financial years.

All income and expenditure derive from continuing activities.

CARTOON ART TRUST LIMITED (REGISTERED NUMBER 02290200)

**BALANCE SHEET
AS AT 31 DECEMBER 2021**

	Notes		2021	2020
		£	£	£
Fixed Assets	6			
Heritage assets			1,172,117	1,171,467
Leasehold Property			835,358	872,972
Investments			1	1
			<u>2,007,476</u>	<u>2,044,440</u>
Current Assets				
Debtors and prepayments	7	208,018		146,884
Cash		<u>273,587</u>		<u>272,212</u>
		481,605		419,096
Current Liabilities				
Creditors due within one year	8	<u>124,723</u>		<u>90,170</u>
Net Current assets			<u>356,882</u>	<u>328,926</u>
Creditors due greater than one year	8		<u>37,200</u>	<u>87,500</u>
Total Net Assets			<u>2,326,858</u>	<u>2,285,866</u>
Capital and Reserves				
Capital	10			
The Company is limited by Guarantee and does not have a Share Capital				
Funds				
Unrestricted Funds	11		2,020,086	1,979,094
Restricted Funds	11		306,772	306,772
			<u>2,326,858</u>	<u>2,285,866</u>

The notes on pages 14 - 21 form part of these financial statements

CARTOON ART TRUST LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2021

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for:

ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006; and
preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on 25 August 2022 and were signed on its behalf by:



.....
O N Preston - Chairman

CARTOON ART TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

1. ACCOUNTING POLICIES

The following accounting policies have been adopted, together with judgements and key sources of estimation and uncertainty made in the preparation of the Financial Statements.

1.1 Basis of Preparation of Financial Statements

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 102, (Charities SORP (FRS 102)), and the Companies Act 2006.

The Cartoon Art Trust (the charity) is a private company limited by guarantee without share capital and incorporated in England. The company's registered number is 02290200. The principal office of the charity is the museum at 63 Wells St, Fitzrovia, London W1A 3AE which is also the registered office of the company.

The charity's registration number is 327978

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction values unless otherwise stated in the relevant accounting policy note(s).

The charity is a parent company and has taken advantage of s.399 of the Companies Act 2006 not to prepare group accounts.

A cash flow statement has not been prepared as the charity has taken advantage of the small charity exemptions that are available under FRS 102.

The financial statements are presented in Sterling (£).

1.2 Preparation of the accounts on a going concern basis

The trustees are of the view that the charitable company has adequate resources to continue for the foreseeable future as a result of the continued support of its directors and regular supporters of the charitable company and considering the funds currently held. On that basis the assessment of the directors is that the charity is a going concern.

1.3 Incoming resources

Recognition of income is as follows:

Donations, Gifts, Legacies and Interest - When received
Events and Merchandising - At the date of the event or sale
Grants - When received.

The value of the services provided by volunteers has not been included in the accounts.

1.4 Resources Expended

Expenditure is accounted for as incurred, except that expenditure in respect of events is written off against corresponding income at the date of the event.

Support Costs include back-office costs, finance, personnel, payroll and governance costs which support the charity's programme and activities. These costs are allocated between cost of raising funds and expenditure on charitable activities. The allocation of support costs is shown in note 3.3.

CARTOON ART TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

1. ACCOUNTING POLICIES (continued)

1.5 Depreciation

Heritage Assets comprise the Company's Collection of Cartoons and Illustrations which is re-valued every five years. During the intervening period, Donated Cartoons received are valued at the date of gift.

Major additions to the collection of books, magazines and related material are valued on receipt by donation. Other books, magazines and related materials, whether purchased or donated, are not included in the five yearly re-valuation because of the problems involved. Accordingly, the Trustees consider that it is inappropriate to make any provision for depreciation of the Collection.

Amortisation

The leasehold property is amortised on a straight-line basis over the terms of the lease commencing from the time it was first occupied by the Charity.

No Impairment of leasehold property is undertaken in the year as it is deemed that the cost of improvements will be written off over the terms of the lease.

1.6 Taxation

The trustees consider that no provision for corporation tax or deferred taxation is required due to the charitable status of the Company.

Income is shown exclusive of Value Added Tax (VAT). Expenses are shown net of VAT. The Company is entitled to recover a variable proportion of the latter in accordance with the formula agreed with HM Revenue & Customs.

1.7 Leases

The Company has entered into operating property leases. The rent is charged to the Income and Expenditure Account on a straight-line basis.

1.8 Pensions

The Company operates a defined pension contribution scheme. Contributions payable to the pension scheme are charged to the income and expenditure account in the period to which they relate.

CARTOON ART TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2. INCOME

	2021			2020
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Donations				
Donations	70,494	107,280	177,774	374,072
Gift Aid	2,201	-	2,201	23,071
Donated Artwork at valuation	650	-	650	-
Business Support Grants	97,003	-	97,003	98,982
Total	170,348	107,280	277,628	496,095
Charitable Activities				
Friends Membership	9,194	-	9,194	9,399
Museum Admissions	39,529	-	39,529	24,132
Education & Workshops	7,038	-	7,038	1,761
Museum hire and other events	8,544	-	8,544	5,877
Total	64,305	-	64,305	41,169
Interest	20	-	20	5
Total Income	234,673	107,280	341,953	537,269

3.0 RESOURCES EXPENDED

	2021			2020
	Unrestricted	Restricted	Total	Total
	£	£	£	£
3.1 Donations				
Support Costs	22,643	-	22,643	27,464
Total	22,643	-	22,643	27,464
3.2 Charitable Activities				
Exhibition costs	4,478	-	4,478	56,383
Education & Workshops	1,002	-	1,002	2,459
Other costs	14,846	107,280	122,126	11,338
Support Costs	150,712	-	150,712	169,171
Total	171,038	107,280	278,318	239,351
Total Resources expended	193,681	107,280	300,961	266,815

CARTOON ART TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

3.3 Allocation of support costs

	Basis of Apportionment	Charitable Activities £	Donations £	Recharged To Subsidiary	Total £
Employment costs	Staff utilisation	59,153	10,954	4,382	74,489
Property costs, including amortisation of leasehold property	Space occupied	40,607	2,417	3,867	46,891
General office	Estimated activity	9,678	2,043	1,721	13,442
Organisation	Estimated activity	11,558	3,467	2,312	17,337
Leasehold	Space occupied	29,716	3,762	3,008	36,486
Depreciation					
		150,712	22,643	15,290	188,645

4. NET INCOMING RESOURCES

4.1 Net Incoming Resources are stated after charging auditors' remuneration of £3,900 (2020: £3,900). The auditor's remuneration relates solely to the independent examination.

4.2 Employee Information

	2020 £	2020 £
Staff costs were as follows:		
Wages and salaries	140,287	112,261
Pensions	2,928	2,664
Social security costs	9,413	12,468
	152,628	127,393

The average number of employees during the year was 7 (2020 6) detail by role as follows:

Director	Full Time	1	1
Curator	Full Time	1	1
Assistant Curator	Part Time	1	1
Shop/admissions manager (cost borne 50/50 by the subsidiary company and Charity, 50% included above)	Full Time	1	1
Marketing and Communications Officer	Part Time	1	1
Community Engagement officer	Full Time	1	0
Learning Manager	Full Time	1	1

5. TRUSTEES REMUNERATION AND EXPENSES

No remuneration was paid to the trustees during the year (2020: £Nil). Travelling and subsistence expenses totalling £70 (2020: £312) were paid to one trustee during the year.

CARTOON ART TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

6. FIXED ASSETS

	Heritage Assets at Cost or Valuation £	Leasehold Premises £	Total £
Cost or Valuation			
At 31 December 2020	1,171,467	949,269	2,127,216
Purchased at cost	-	-	-
Disposals/written off	-	-	-
Donations at valuation	650	-	650
At 31 December 2021	<u>1,172,117</u>	<u>949,269</u>	<u>2,121,386</u>
At 31 December 2020		76,297	76,297
Charge for the year	-	37,614	37,614
At 31 December 2021	<u>-</u>	<u>113,911</u>	<u>113,911</u>
Net Book Value			
At 31 December 2020	<u>1,171,467</u>	<u>872,972</u>	<u>2,044,439</u>
At 31 December 2021	<u>1,172,117</u>	<u>835,358</u>	<u>2,007,475</u>

Heritage Assets comprise the Collection of cartoons, illustrations, prints, books, magazines and related material. The trustees having undertaken a review of the valuation of the collection of cartoons, books and comics as at 31 December 2021 consider that their current values are the same as the carrying values that are stated in these accounts.

Investments

The subsidiary company is The Cartoon Museum Limited which was incorporated as a limited liability company (Registered Number 5703160) on 9 February 2006 in England.

The charity's investment in the subsidiary comprises one share of £1 (2020: £1) plus a balance on current account of £156,668 (2020: £128,769). The activities of the subsidiary consist of the trading activities of the charity including the sales of merchandise. Information regarding the financial activities of the subsidiary is set out in Note 12.

CARTOON ART TRUST LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

7. DEBTORS	2021 £	2020 £
Other debtors	198,082	139,424
Gift aid recoverable	1,372	153
Prepayments	8,564	7,307
	<u>208,018</u>	<u>146,884</u>
8. CREDITORS	2021 £	2020 £
Amounts falling due within one year:		
Subscriptions received in advance	12,005	10,931
Trade creditors	8,259	6,657
Other creditors	48,606	17,682
Accruals	5,853	4,900
Loan Payments Due (Note below)	50,000	50,000
Total due within 1 year	<u>124,723</u>	<u>90,170</u>
Amounts falling due greater than 1 year		
Loan Payments due (Note below)	<u>37,500</u>	<u>87,500</u>
	<u>162,223</u>	<u>273,523</u>
Unsecured commercial loan of £200,000 taken out in April 2019. The loan was initially repayable in equal instalments over a 4-year term. However, as part of Covid-19 support the lender agreed a six-month capital repayment holiday (April-September 2020) and the loan term was extended to 4 and a half years to September 2023		
9. OPERATING LEASE COMMITMENTS	2021 £	2020 £
The amounts payable in respect of the operating leases, excluding VAT are:		
In one year	15,001	15,001
Between two and five years	28,127	43,128

10. CAPITAL

The company is limited by Guarantee and does not have a Share Capital.

Every member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up during the Member's period of Membership or within one year afterwards for the payment of the debts and liabilities of the company contracted before the Member ceases to be a member and of the costs, charges and expenses of winding up the same and for such amounts as may be required not exceeding in the case of any Member the sum of £1. There were 26 Members at the balance sheet date. (2020: 26).

CARTOON ART TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

11. FUNDS

11.1 Analysis of Net Assets Between Funds

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Fixed assets	835,359	865,345	306,772	2,007,476
Current assets	481,605	-	-	481,605
Current liabilities	(162,223)	-	-	(162,223)
Net Assets at 31 December 2021	1,154,741	864,345	306,772	2,326,858

11.2 Movement in Funds

	At 31 Dec 2020 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 Dec 2021 £
Unrestricted Funds					
Designated Funds					
Collection fund	864,695	650	-	-	865,345
General Funds	1,114,399	234,023	(193,681)	-	1,154,741
Total Unrestricted Funds	1,979,094	234,673	(193,681)	-	2,020,086
Restricted Funds					
Collection fund	306,772	-	-	-	306,772
ACE	-	96,000	(96,000)	-	-
Foyle	-	4,774	(4,774)	-	-
Westminster	-	6,506	(6,506)	-	-
Total Restricted Funds	306,772	107,280	(107,280)	-	306,772
Total Funds	2,285,866	341,953	(300,961)	-	2,326,858

11.3

i Unrestricted Funds

The designated Collection Fund represents the value of the Trust's Collection, acquired by gift or purchase, other than that provided by the Cuthbertson Fund (see paragraph ii below), and is considered by the Trustees not to be available for any of the charity's other purposes.

ii Restricted Funds

The original restricted Collection Fund represents donations by the late Allan Cuthbertson. These donations consisted of cartoons, illustrations, books and cash. In addition, a cash gift was to be used for cataloguing, restoring and exhibiting the collection as well as for acquisitions by the Trust.

CARTOON ART TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

12. RELATED PARTY TRANSACTIONS

The subsidiary's turnover for the year ended 31 December 2021 was £22,733 (2020: £13,052) including other income, cost of sales was £5,100 (2020: £6,423) and expenses of £33,252 (2020: £35,088), (including a contribution of £15,290 (2020: £16,573) to the charity's office and organisation costs). These resulted in a loss for the year before taxation and interest of £15,619 (2020: £28,459) from which a donation of £Nil (2020: Nil) was made to the charity.

The balance due from the subsidiary, the Cartoon Museum Limited, as at 31 December 2021 amounted to £156,668 (2020: £128,769). The Trustees consider this amount repayable when the subsidiary is in a position to pay without prejudicing its working capital requirements.

There were no other related party transactions during the year which require disclosure.