

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 2022**

Orcom Civvals Limited  
50 Seymour Street  
London  
W1H 7JG

**CARTOON ART TRUST LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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# **CARTOON ART TRUST LIMITED**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022**

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The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, submit their annual report and the unaudited financial statements for the year ended 31 December 2022.

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 (resigned 8 December 2022)

M Rowson

S C Spink

Hannah Berry

Alex Williams

Nicola Jennings (Appointed 8 December 2022)

Yomi Ayeni (Appointed 8 September 2022)

#### Management and Senior Staff

Throughout 2022 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: M S Russell

Independent

Examiner: Mark Tullett  
Orcom 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 2022

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#### 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 2022, the Charity received support and funding from Museum Development London (£2k) and the Young Westminster Foundation (£6k, spending carried forward to 2023). The museum received a substantial grant from the Foyle Foundation to establish and pilot an autism programme at the museum.

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During 2022 the Charity hosted a range of educational events and activities for a wide range of audiences. This included learning workshops during half-terms. The museum also ran mental health workshops for MIND in Harrow, and a funded project called Life Under Lockdown 2 (following on from project 1 in 2021) 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 for free at local libraries, and from the museum site and website.

The Museum held book launch events for Martin Rowson (The Love Songs of Late Capitalism), Michael Rosen (St Pancreas Defendat Me), Charlotte Housden (Swim, Jump, Fly: A guide to changing your life), and Street Noise Books (Draw The Line). We also held the launch of The Legend of Luther Arkwright by Bryan Talbot, to coincide with the exhibition at the museum, and negotiated a one-month exclusivity on selling the book.

Open House Day was a popular event at the museum, with 542 visitors - more than double than in 2021 - coming to the museum on a free opening weekend on 10/11 September. We held the Tripwire Awards in September, and a very successful inaugural Cartoon Museum conference in February. We also held several talk events, including Robert Ross and Simon Postgate, and a successful late-night event for our Laughter Lab exhibition.

## CARTOON ART TRUST LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

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We maintained our strategic relationships with Westminster University's MA Museum course, with the Director giving a guest lecture and hosting the cohort for a visit, as well as supporting several students to volunteer at the museum and gain collections-based experience. We continued to work with the British Cartoonists' Association, particularly to launch and judge the Young Cartoonist of the Year 2022 competition and continued our relationship with The Professional Cartoonists' Organisation. We started building stronger international relationships and received visits from FLORIAN and INDIAN MAN, as well as undertaking zoom meetings with AFRICAN PEOPLE. We also supported Cartooning For Peace and held a recent symposium at the museum with them and Leicester University. We continued our work with local partners including the Young Westminster Foundation and youth clubs to promote and deliver our Life Under Lockdown 2 project and our autism pilot programme, funded by the Foyle Foundation. As part of our autism programme development, we worked closely with Paul Morrow of Westminster Special Schools and the West London Inclusion Festival, Rachel Warry of Newham SEN Unit, and Claire Madge of Autism in Museums. The Director began a cultural group for museum engagement teams in Westminster, conducting quarterly meetings attended by organisations as diverse as the Photographers Gallery, London Transport Museum and the Royal Opera House.

#### Major Risks

The first half of 2022 saw visitor numbers remaining below pre-COVID numbers as our recovery continued. January in particular was slow and we saw the impact of people travelling away from London for holidays for the first time in two years during the Easter and Summer periods. Numbers climbed steadily and from July onwards we were achieving numbers in excess of pre-covid figures. The final total footfall for the year was two thousand visitors short of an average pre-covid year (24k compared to 26k).

In the back half of 2022 the cost of living crisis had an impact, resulting in significantly increased bills for the business and also for staff, volunteers and visitors. The most immediately visible effect was on secondary spend, with shop takings being lower than expected due to visitors primarily buying cheaper items (magnets, postcards etc). The museum paid a cost of living bonus to its staff in order to support their wellbeing, though this naturally came from central budget.

In May 2022 our Marketing and Communications officer Eduardo Camare passed away after a short illness. This caused immediate disruption to the design and installation of an exhibition, pushing the cost up due to hiring a freelance designer to complete the work. A decision was made to split the role in half during the new hiring period, with two staff members working two days a week each. This brought greater expertise to each role but also has resulted in those staff members having less time on site to work with other staff. More pertinently, after the covid pandemic and passing of Alison Brown in 2021, Eduardo's death was another very difficult event for the team to process and there was again visible and difficult impact on the team's mental wellbeing. Staff were again supported by the Director and Board of Trustees through the grieving period.

The site experienced many problems during the year, with particular severe and regular leaks from neighbour Rovi Restaurant upstairs that affected business and damaged stock, and the lift was not operational for most of the year due to safety concerns. Works are currently ongoing to address the leaks, and fundraising for a new lift is ongoing, with 50% of the total raised so far.

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**

##### Vision

In January 2022 a new interim strategy to 2023 was launched that sets a route for the museum through COVID. As part of the new strategy, a new vision was defined as follows:

*"Our vision is of a future where people of all backgrounds and ages feel excited to pick up a pencil and draw a cartoon."*

## CARTOON ART TRUST LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

#### 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".*

#### 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 2023

A key objective for 2022 was to continue to stabilise and grow the Charity's finances and footfall following the pandemic. 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, with 28,000 visitors targeted for 2023. The Trustees and the Directors have been active in scenario planning during 2022, and in 2023 we are continuing to perform better than expected, with increases in event attendance and school bookings.

A key objective is to further close the gap between museum incomings and outgoings in 2023 from trading and hire and admissions, and fund raising. The covid recovery period is ongoing, with good rates of domestic visitors but still lowered levels of overseas tourists, which is not expected to reach pre-pandemic levels until 2024. Combined with the ongoing cost of living crisis that has raised costs for the museum as well as reducing the spending power of our visitors, there is still some uncertainty for the Museum's finances and its future operations, despite a better-than-projected financial performance in 2022. A bid was made to the Arts Council for NPO status, which was unfortunately not successful, along with many other organisations. The museum will in 2023 persevere to increase revenues from all sources.

Addressing site issues is a key objective in 2023. Gratis legal advice was taken against Rovi Restaurant in March 2023, due to damage to trading and opening from persistent leaks. They are undertaking works to fix the ongoing leaks. The lift is intended to be replaced in 2023, with quotes currently being sourced and 50% funding committed by the John Lyons Charity.

Despite posting a loss in 2022, with continued increased performance, with some high-profile exhibitions planned, and on the back of successful fundraising during the pandemic, 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 2022

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#### Achievements and Performance

##### Visitors

During the year there were 24,393 total visitors to the Museum (January - December), up from 8,388 in May – December 2021 allowing for four months of closure. This rise can be attributed to the Museum being open for a full year with no covid restrictions. It is worth noting that from July visitor numbers were higher than pre-covid figures, demonstrating a desire for visitors to get back to museums, and we received new visitor types finding out about the museum due to our programme.

##### Exhibitions

In 2022 the following exhibitions were held:

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

Laughter Lab (November 2021 – June 2022)

Dredd at 45 (January – March 2022)

Love Stories In Focus (April – July 2022)

Boris Johnson: This Exhibition is a Work Event (July 2022 – March 2023)

Sarah Akinterinwa and Mary Daryl In Focus (August – October 2022)

Heath Robinson: making the Best of Things (October 2022 – February 2023)

##### Education including Group and School Visits

During 2022, the Museum delivered 77 classes to 2148 adults and children, not including school holiday workshops, talks or other corporate bookings. These were held mainly in the Clore Learning Studio but also outreach to schools. This represents an 353% increase on 2021 bookings (though it should be noted that much of 2021 was spent either closed or with vastly reduced school bookings). Holiday workshops overall increased in attendance, though there were big drop-offs in Easter due to the jubilee and the summer due to holidays.

##### 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, building exhibitions and staffing events. In the 2022 London Heritage Volunteering Awards, our Laughter Lab team was a runner-up for 'Going the Extra Mile' and our Exhibitions Team won the 'Best Team' category.

##### Staff

The Museum recruited Khadija Osman and Alice Morris to fill the roles of Marketing & Communications Officer, and Graphic Designer. They took up their posts in August 2022. Amba Malekin-Gonen, the Community Engagement Officer, left the museum in November 2022 but after a successful bid to the John Lyons Charity, Amba's return was confirmed to the museum in May 2023 on a three-year contract, funded by the John Lyons Charity. The part-time post of Events Officer was filled by Ray Chadwick. In June 2023 long-serving Collections Manager Kate Owens will be leaving the charity.

##### Access

The museum was awarded Best Community Engagement Programme at the 2023 Museums and Heritage Awards for our 2022 autism programme pilot. After successful gaining continuation fund for the next three years, we will continue delivering and expanding on our offers for visitors with autism. In addition, we will continue to offer free visits and develop initiatives for people with disabilities and their carers. In late 2022 we introduced a universal credit ticket in response to the cost of living crisis and will continue this offering in 2023.

##### 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 and cataloguing through a volunteer project. Volunteers undertook training in 2023 in how to use the online catalogue. The library contains over 18,000 books and comics, with non-valuable items kept at the Camberwell storage facility.

##### Collection

There were acquisitions of £1,000 during the year (2021: £nil).

There were £15,100 in donated Cartoon art gifts in 2022 (2021: £650).



## CARTOON ART TRUST LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Financial Review

The Statement of Financial Activities for 2022 is set out on page 10 of the Financial Statements and is reviewed below.

#### Incoming Resources

Incoming resources during 2022 totalled £286,157, (2021: £341,953), the major elements being:

- a) the receipt of donations including grants of £146,943, (2021: £177,628).  
Of this £50,000 was received from the Hintze Trust as a result of fundraising to support our costs in moving to Wells St, (2021: £50,000 Hintze Trust).  
Total other donations were £96,943, (2021: £227,628).  
Of this total Restricted Grants received of £30,226 were from the Foyle Foundation, (2021: £107,280 comprising £96,000 Arts Council England, £6,506 Westminster Foundation and £4,774 grant from the Foyle Foundation).  
No Covid Government Business support grants were received in 2022 (2021: £97,003)  
Other donations were £66,717 (2021: £23,345) including donations from supporters, gift aid and valuation of donated cartoons of £15,100 (2021: £650).
- b) Income from Charitable activities of £138,574 (2021: £64,305) an improvement on 2021 as there were no periods in which the Museum was closed due to Covid-19 regulations, numbers of visitors and commercial revenue continued to improve during the year.

Income from activities includes a donation of £Nil (2021: £Nil) from the trading subsidiary company, the Cartoon Museum Limited. The accounts of this company show that sales of merchandise totalled £48,561 in 2022 (2021: £22,733). Both figures are net of VAT. After deducting cost of sales, direct expenses, and a recharge of overheads (property, staffing and administration) of £25,807 (2021: £15,290), the subsidiary company's results show a net loss before tax of £25,740 (2021: loss of £15,619).

Interest received was £640 (2021: £20) reflecting increased market rates.

#### Resources Expended

Resources expended on the activities outlined above were £357,762 (2021: £300,961) 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 £30,226 (2021: £107,280).

Unrestricted funds expended on raising funds and the collection and exhibitions' charitable activities totalled £327,536 (2021: £193,681) 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 2022

The results for the year show a deficit on net movement in funds of £71,605 (2021: surplus £40,992) being a deficit of £71,605 on unrestricted funds and a break-even position on restricted funds. (2021: unrestricted surplus £40,992, break even on restricted funds).

No transfers between Restricted and Unrestricted funds were made in the year (2021: £ nil).

Cash balances were £175,516 (2021: £273,587).

#### 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 2022 were low as in 2021 in line with general market conditions.



## CARTOON ART TRUST LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 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 2022. 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**

We are aiming to achieve 28,000 total visitors in 2023 and are targeting 100 school group visits. We are aiming to increase commercial income, targeting £28,000 in workshops, £80,000 in retail income, £20,000 in venue hire income and £4,800 in event ticket income.

Accreditation is due in July 2023, with much of the collections work in the first half of the year working towards this goal. In addition, with collection volunteer teams, we will continue our collections projects, including the collections audit and library cataloguing project.

Three In-Focus exhibitions are currently planned for 2023 (titles TBC): Gerry Anderson's Century 21 (February – April); Ella Baron (May – September) and Oluwasegun Babatunde. We will open two larger temporary exhibitions in 2023: Norman Thelwell Saves The Planet (April – August) and Thirty Years of The Wrong Trousers (September – April 2024).

2023 is the final year of our interim strategy, so during 2023 a new five-year business plan and strategy to 2026 will be developed and implemented. The aim of the strategy will be to build on the platform created by our covid response and move forward towards being a self-sustaining organisation through increased footfall and commercial revenue.

We will be working towards being more climate-conscious in 2023, ensuring that we can build trust around the Thelwell exhibition which addresses this topic. We have signed up to the Mayor's business climate challenge, aiming to reduce our carbon output by 10% by the end of the year. Staff are committed to reducing emails and undertaking other sustainable activities, and we have elected 'green guardians' at the museum. As part of the new strategy development, there will be a climate statement.

We have had success in project fundraising in 2022 that will support new engagement work in 2023 and beyond. This includes undertaking a refugee project and a climate project with local youth groups, as well as funding towards the Babatunde In Focus exhibition. Additionally at the start of 2023 we secured £40k per year for three years from the John Lyons Foundation to support our autism work, primarily the Young Cartoonist in Residence programme. The work undertaken around autism in 2023 was awarded a Museums and Heritage award for Best Community project and demonstrated the skill of the team and its need within the community. We aim to continue building on our strong reputation in this area and leveraging the 'good news' impact for further funding opportunities. In addition, we will be undertaking a crowdfunding activity to raise funds for the lift works, and will learn from and evaluate the process in order to run it as a regular fundraising initiative in the future.

## CARTOON ART TRUST LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 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 Prestor - Chairman

7 September 2023

## INDEPENDENT EXAMINER'S REPORT OF THE TRUSTEES

### CARTOON ART TRUST LIMITED

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I report to Cartoon Art Trust Limited trustees on my examination of the accounts for the year ended 31 December 2022 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  
Institute of Chartered Accountants in England and Wales  
50 Seymour Street  
London  
W1H 7JG

7 September 2023

**CARTOON ART TRUST LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating Income and Expenditure Account)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022		
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>Income</b>	2			
From Generated Funds				
Donations		116,717	30,226	146,943
From Charitable Activities				
Operation of a Museum for the purposes of education, research and enjoyment		138,574	-	138,574
Investment Income		640	-	640
<b>Total Income</b>		<u>255,931</u>	<u>30,226</u>	<u>286,157</u>
<b>Resources Expended</b>				
Costs of Raising Funds	3.1	39,797	-	39,797
Charitable Activities	3.2	287,739	30,226	317,965
<b>Total Resources Expended</b>		<u>327,536</u>	<u>30,226</u>	<u>357,762</u>
<b>Net Income / (Expenditure) for the year</b>	4.1	(71,605)	-	(71,605)
Transfers between funds		-	-	-
<b>Net Movement in Funds</b>		<u>(71,605)</u>	<u>-</u>	<u>(71,605)</u>
Total Funds brought forward		2,020,086	306,772	2,326,858
Total Funds carried forward		<u>1,948,481</u>	<u>306,772</u>	<u>2,255,253</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**

		2021		
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>Income</b>	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
<b>Total Income</b>		<u>234,673</u>	<u>107,280</u>	<u>341,953</u>
<b>Resources Expended</b>				
Costs of Raising Funds	3.1	22,643	-	22,643
Charitable Activities	3.2	171,038	107,280	278,318
<b>Total Resources Expended</b>		<u>193,681</u>	<u>107,280</u>	<u>300,961</u>
<b>Net Income / (Expenditure) for the year</b>	4.1	40,992	-	40,992
Transfers between funds		-	-	-
<b>Net Movement in Funds</b>		<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 derive from continuing activities.

**CARTOON ART TRUST LIMITED (REGISTERED NUMBER 02290200)**

**BALANCE SHEET  
AS AT 31 DECEMBER 2022**

	Notes		2022	2021
		£	£	£
<b>Fixed Assets</b>	6			
Heritage assets			1,188,217	1,172,117
Leasehold Property			797,386	835,358
Investments			1	1
			<u>1,985,604</u>	<u>2,007,476</u>
<b>Current Assets</b>				
Debtors and prepayments	7	180,769		208,018
Cash		<u>175,516</u>		<u>273,587</u>
		356,285		481,605
<b>Current Liabilities</b>				
Creditors due within one year	8	<u>86,636</u>		<u>124,723</u>
Net Current assets			<u>269,649</u>	<u>356,882</u>
Creditors due greater than one year	8		<u>112,500</u>	<u>37,500</u>
Total Net Assets			<u>2,255,253</u>	<u>2,326,858</u>
<b>Capital and Reserves</b>				
Capital	10			
The Company is limited by Guarantee and does not have a Share Capital				
Funds				
Unrestricted Funds	11		1,948,481	2,020,086
Restricted Funds	11		306,772	306,772
			<u>2,255,253</u>	<u>2,326,858</u>

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

**CARTOON ART TRUST LIMITED (REGISTERED NUMBER 02290200)**

**BALANCE SHEET  
AS AT 31 DECEMBER 2022**

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The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

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 7 September 2023 and were signed on its behalf by:

A handwritten signature in blue ink, appearing to read 'O N Preston', is written over a dotted line.

O N Preston - Chairman



# CARTOON ART TRUST LIMITED

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

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### 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 notes.

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 2022 (CONTINUED)

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#### 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 2022 (CONTINUED)

### 2. INCOME

	2022			2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
<b>Donations</b>				
Donations	99,990	30,226	130,216	177,774
Gift Aid	1,627	-	1,627	2,201
Donated Artwork at valuation	15,100	-	15,100	650
Business Support Grants	-	-	-	97,003
<b>Total</b>	<b>116,717</b>	<b>30,226</b>	<b>146,943</b>	<b>277,628</b>
<b>Charitable Activities</b>				
Friends Membership	8,559	-	8,559	9,194
Museum Admissions	88,855	-	88,855	39,529
Education & Workshops	24,675	-	24,675	7,038
Museum hire and other events	14,614	-	14,614	8,544
Other income	1,871	-	1,871	0
<b>Total</b>	<b>138,574</b>	<b>-</b>	<b>138,574</b>	<b>64,305</b>
Interest	640	-	640	20
<b>Total Income</b>	<b>255,931</b>	<b>30,226</b>	<b>286,157</b>	<b>341,953</b>

### 3.0 RESOURCES EXPENDED

	2022			2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
<b>3.1 Donations</b>				
Support Costs	39,797	-	39,797	22,643
<b>Total</b>	<b>39,797</b>	<b>-</b>	<b>39,797</b>	<b>22,643</b>
<b>3.2 Charitable Activities</b>				
Exhibition costs	11,658	-	11,658	4,478
Education & Workshops	277	-	277	1,002
Other costs	25,059	30,226	55,285	122,126
Support Costs	250,745	-	250,745	150,712
<b>Total</b>	<b>287,739</b>	<b>30,226</b>	<b>317,965</b>	<b>278,318</b>
<b>Total Resources expended</b>	<b>327,536</b>	<b>30,226</b>	<b>357,762</b>	<b>300,961</b>

# CARTOON ART TRUST LIMITED

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

### 3.3 Allocation of support costs

	Basis of Apportionment	Charitable Activities £	Donations £	Recharged To Subsidiary	Total £
Employment costs	Staff utilisation	113,151	20,954	8,382	142,487
Property costs, including amortisation of leasehold property	Space occupied	63,238	3,764	6,023	73,025
General office	Estimated activity	22,798	4,813	4,053	31,664
Organisation	Estimated activity	21,561	6,469	4,311	32,341
Leasehold	Space occupied	29,997	3,797	3,038	36,832
Depreciation					
		250,745	39,797	25,807	316,349

### 4. NET INCOMING RESOURCES

4.1 Net Incoming Resources are stated after charging fees relating to the independent examination of £3,900 (2021: £3,900).

#### 4.2 Employee Information

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	178,511	155,287
Pensions	3,661	2,928
Social security costs	11,978	9,413
	194,150	152,628

The average number of employees during the year was 7 (2021: 7) 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	1
Learning Manager	Full Time	1	1

### 5. TRUSTEES REMUNERATION AND EXPENSES

No remuneration was paid to the trustees during the year (2021: £Nil). Travelling and subsistence expenses totalling £751 (2021: £70) were paid to one trustee during the year.

# CARTOON ART TRUST LIMITED

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

### 6. FIXED ASSETS

	Heritage Assets at Cost or Valuation £	Leasehold Premises £	Total £
<b>Cost or Valuation</b>			
At 31 December 2021	1,172,117	949,269	2,121,386
Purchased at cost	1000	-	1000
Disposals/written off	-	-	-
Donations at valuation	15,100	-	15,100
At 31 December 2022	<u>1,188,217</u>	<u>949,269</u>	<u>2,137,486</u>
At 31 December 2021		113,911	113,911
Charge for the year	-	37,972	37,972
At 31 December 2022	<u>-</u>	<u>151,883</u>	<u>151,883</u>
<b>Net Book Value</b>			
At 31 December 2021	<u>1,172,117</u>	<u>835,358</u>	<u>2,007,475</u>
At 31 December 2022	<u>1,188,217</u>	<u>797,386</u>	<u>1,985,603</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 2022 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 (2021: £1) plus a balance on current account of £168,797 (2021: £156,668). 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 2022 (CONTINUED)

<b>7. DEBTORS</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Amount owed by subsidiary undertaking	168,797	156,668
Other debtors	2,920	41,414
Gift aid recoverable	361	1,372
Prepayments	8,691	8,564
	<u>180,769</u>	<u>208,018</u>
 <b>8. CREDITORS</b>	 <b>2022</b>	 <b>2021</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Subscriptions received in advance	12,128	12,005
Trade creditors	5,045	8,259
Other creditors	22,535	48,606
Accruals	9,428	5,853
Loan Payments Due (Note below)	37,500	50,000
Total due within 1 year	<u>86,636</u>	<u>124,723</u>
 Amounts falling due greater than 1 year		
Loan Payments due (Note below)	-	37,500
	<u>86,636</u>	<u>162,223</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		
 <b>9. OPERATING LEASE COMMITMENTS</b>	 <b>2022</b>	 <b>2021</b>
	<b>£</b>	<b>£</b>
The amounts payable in respect of the operating leases, excluding VAT are:		
In one year	15,001	15,001
Between two and five years	13,126	28,127

## 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. (2021: 26).

# CARTOON ART TRUST LIMITED

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

### 11. FUNDS

#### 11.1 Analysis of Net Assets Between Funds

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Fixed assets	797,387	881,445	306,772	1,985,604
Current assets	356,285	-	-	356,285
Current liabilities	(86,636)	-	-	(86,636)
Net Assets at 31 December 2022	1,067,036	881,445	306,772	2,255,253

#### 11.2 Movement in Funds

	At 31 Dec 2021 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 Dec 2022 £
<b>Unrestricted Funds</b>					
Designated Funds					
Collection fund	865,345	15,100	-	1000	881,445
General Funds	1,154,741	240,831	(327,536)	(1000)	1,067,036
Total Unrestricted Funds	2,020,086	255,931	(327,536)	-	1,948,481
<b>Restricted Funds</b>					
Collection fund	306,772	-	-	-	306,772
Foyle	-	30,226	(30,226)	-	-
Total Restricted Funds	306,772	30,226	(30,226)	-	306,772
<b>Total Funds</b>	<b>2,326,858</b>	<b>286,157</b>	<b>(357,762)</b>	<b>-</b>	<b>2,255,253</b>

#### 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 2022 (CONTINUED)**

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#### **12. RELATED PARTY TRANSACTIONS**

The subsidiary's turnover for the year ended 31 December 2022 was £48,561 (2021: £22,733) including other income, cost of sales was £24,202 (2021: £5,100) and expenses of £50,099 (2021: £33,252), (including a contribution of £25,807 (2021: £15,290) to the charity's office and organisation costs). These resulted in a loss for the year before taxation and interest of £25,740 (2021: £15,619) from which a donation of £Nil (2021: Nil) was made to the charity.

The balance due from the subsidiary, the Cartoon Museum Limited, as at 31 December 2022 amounted to £168,797 (2021: £156,668). 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.