

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 2020**

Civvals Limited  
50 Seymour Street  
London  
W1H 7JG

**CARTOON ART TRUST LIMITED**

**INDEX TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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# **CARTOON ART TRUST LIMITED**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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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 audited financial statements for the year ended 31 December 2020.

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 on the date this report was approved were:

O N Preston (Chairman)

The Rt. Hon. Lord Baker of Dorking CH (Deputy Chairman)

M S Russell FCMA (Treasurer)

S W M Bell

J T S Bower FCA

S O’Connell

M Rowson

S C Spink

M Bryant

Hannah Berry (Appointed 13 May 2021)

#### Management and Senior Staff

Throughout 2020 management responsibility lay primarily with the Trustees, with day-to-day responsibility delegated to the Director, Joe Sullivan, from his appointment on 6 January 2020. The Director reports to the Chairman and board of trustees, and the Curator and operational team to the Director.

## **CARTOON ART TRUST LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### Other Relevant Persons and Organisations

Company Secretary: Mrs S Potter MBE (resigned 15 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

#### **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 (from 6 January 2020), 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 six 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.

## **CARTOON ART TRUST LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### Relationships and Collaborations with Other Charities and Organisations

During the COVID-19 pandemic during 2020, the Museum received support and funding from National Lottery Heritage Fund (£98k); The Garfield Weston Foundation (£60k); and The Circles of Art (£1k) as well as funding from Clore Duffield (£5k) and Westminster Council (£5k) to support learning projects.

The Museum partnered with Big Yellow Storage to organise new storage premises for the wider library collection and shop stock. The partnership granted the museum free storage space at a new site in Camberwell for six months, with a reduced rate (25%) for the next six months. This enabled the museum to move its archive to a safer storage unit and save money through 2020 by closing the previous Safestore units.

From January – March, the Museum hosted a range of events and activities for a wide range of learning audiences. This included a sell-out series of learning workshops during February half-term, with workshops for 8–12-year-olds in cartoon art, comic making, manga, storytelling, animation and Claymation. Self-love and mental health workshops were run by Sketch Appeal in February 2020, providing an educational forum for aspiring female cartoon artists through a project called ‘The Art of Self Love’. This was intended to culminate in an In Focus exhibition in April, which was cancelled due to the pandemic.

The Museum held book launch events for *The Wolf of Baghdad*, by Carol Isaacs, and *Gimson’s Presidents*, by Andrew Gimson and Martin Rowson, the latter linked to an In-Focus exhibit to promote the book post-launch. Open House Day was a popular event at the museum, with 250 visitors coming to the museum on a free opening weekend on 19 and 20 September, shortly after reopening of the museum post-pandemic (first wave). Secondary spend was strong, with takings on par with usual weekend days despite lacking entrance fees. Other museum events were limited because of the pandemic, though monthly cartoon-themed life drawing events were held with Art Model Collective fortnightly up until closure.

Due to the pandemic, several planned partnerships did not come to fruition. In 2018 the museum began a strategic relationship with Westminster University, and this continued throughout 2020 with the Director giving talks at Westminster University for MA Museum Studies students. An exhibition project was planned with the University of Westminster for June and July to link with pride month. MA Museum Studies students would respond to a brief with pitches to install a small In Focus exhibit, working alongside the museum team with funding secured by Peter Ride, University of Westminster MA Museum Studies lecturer. Meetings were also held with Havering Museum over a prospective loan of comic art for a summer exhibition. The final meeting involved artwork being chosen in March, but with the closure of both sites the project was not continued, though there is willingness to revisit in the future.

The museum continued good relationships with other organisations including the British Cartoonists’ Association and The Professional Cartoonists’ Organisation.

#### Major Risks

2020 saw a new significant risk to the Museum’s future in the shape of the COVID-19 pandemic, which resulted in the Museum being closed for eight months of the year. This posed a sizeable risk to running costs, with 75% of income derived through the door (ticket sales, events, learning, hire etc). The Museum met these risks through a conservative strategic approach and an extraordinarily successful fundraising campaign spearheaded by the Chair of Trustees. As a result of the measures taken, immediate risks relating to closure and staff redundancies were avoided.

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 site. All risks were assessed, with a Risk Management Committee being formed, and appropriate safety and distancing measures were introduced.

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.

# CARTOON ART TRUST LIMITED

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

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### 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".*

#### 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 2020

The Trustees recruited Joseph Sullivan (from the Natural History Museum) as Director, and Emma Stirling-Middleton as Curator (from the Science Museum), who took up their posts at the beginning of January 2020.

A key objective for 2020 was to stabilise and grow the Charity's finances following the move and capital project and prioritise income generation through all avenues to sustain the business with the longer-term goal of raising annual visitor numbers from 25,000 to 40,000. The other key objectives were to engage wider audiences and further professionalise museum operations.

Due to the coronavirus pandemic, the Museum had to close on March 18 2020, meaning no income from visitor admissions, the Museum shop, events and educational workshops, and staff have been furloughed. The Museum was able to re-open, for 4 days per week, on September 17 2020 with staff returning on a part-time basis. This has created great uncertainty for the Museum's finances and its future operations, and Trustees have been highly active, in challenging times, to increase the museum's resilience to the impact of the coronavirus pandemic, and the security of the museum's future. The Trustees and the Director have been active in scenario planning for 2021 and are working towards mitigating an expected drop in visitor figures (approx. 80% decline in the first 6 months of 2020), including a drop of key school and international audiences.

It was a concern that a long closure would cause losses, and a depletion of the Museum's current bank balances.

As an independent charity, with no local authority or government support, the Museum's only 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 the period April to September 2020, and into 2021, the Charity now has adequate resources to continue for the foreseeable future.

## **CARTOON ART TRUST LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### Achievements and Performance

##### Visitors

During the year there were 6,848 visitors to the Museum (January-December) (down from 10,798 in July – December 2019). This fall can be wholly attributed to the fact that the Museum was closed due to several lockdowns related to the COVID-19 pandemic, and only saw full operation in January, February and October. Pre-pandemic, visitor numbers were very strong. January and February admissions were higher than predicted (the highest January since 2015 and highest February since 2012). February provided the highest monthly admissions figure since August 2018. During a reopening period from mid-September to October, and a further two weeks in December, visitor numbers were 37% of the visitor numbers from the comparable period in 2019.

##### Exhibitions

In 2020 the following exhibitions were held:

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

Comic Creators July 2019- February 2020

Dear Mr. Poole February – December 2020

Hail to the Chief? Brief Lives of America's Best and Worst Presidents In-Focus March – December 2020

##### Education including Group and School Visits

Between January and December 2020, the Museum delivered 31 classes to 809 adults and children. This represents an approx. 50% increase on 2019 monthly average for school bookings during Jan-March (av. 8 instead of 4.25 p/m) and 50% on last comparable Jan-Feb period (2018). Holiday workshops increased in number, and in attendance - February 2020 had the highest attendance for half-term workshops yet and was over-subscribed. Digital delivery has been trialled, with a pilot for paid-for digital half-term workshops scheduled for April 2021. We also began data analysis and tracking of school bookings, including investigating previous years for comparative purposes, and issuing feedback forms. We also produced a kid's activity pack and online learning resources, both seeing success during the closure and reopening periods.

##### Volunteers

The museum has worked with 14 volunteers during the year. We are 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 is stored following the December 2019 move, but it is planned that it will be made more accessible at the Margaret Street premises, where slow progress is being made with un-boxing. The Library now contains over 18,000 books and comics, with non-valuable items kept at the Camberwell storage facility.

##### Collection

In 2020 the museum completed its Heritage Lottery funded Comic Creators Project and in addition to this project were granted by HLF, funds for a business recovery project which were fully spent in the year. No art works under these programs were purchased in the year (2019: £39,000). There were no further acquisitions during the year (2019: £500)

There were no donated Cartoon art gifts in 2020 (2019: £300).

## CARTOON ART TRUST LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

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#### **Financial Review**

The Statement of Financial Activities for 2020 is set out on page 9 of the Financial Statements and is reviewed below.

#### Incoming Resources

Incoming resources during 2020 totalled £537,269, (2019: £545,440), the major elements being:

- a) the receipt of donations of £496,095, (2019: £488,610). Of this £75,000 (2019: £446,295) was received as a result of fundraising to support our costs in moving to Wells St in 2019, comprising donations from the Hintze Trust and Clore Duffield. Other donations were £421,095, (2019: £41,489) of this £115,130 was HLF Funding in the year (2019: £nil), £98,982 in Government Business support grants (2019: £nil) a significant donation from the Garfield Weston Foundation and many other generous donations from Charitable foundations and supporters including a wonderful response to our Virgin Giving fundraising.
- b) Income from Charitable activities of £41,169 (2019: £56,814) was lower due to the significant periods in which the Museum was closed due to Covid-19 regulations from March 2020, 2019 had a reduced level of exhibitions since the Museum only opened at its new premises in July 2019.

Income from activities includes a donation of £Nil (2019: £Nil) from the trading subsidiary company, the Cartoon Museum Limited, the accounts of this company show that sales of merchandise totalled £13,052 in 2020 (2019: £22,394). Both figures are net of VAT. After deducting cost of sales, direct expenses, and a recharge of overheads (property, staffing and administration) amounting to £16,573 (2019: £16,361), the subsidiary company's results show a net loss before tax of £28,458 (2019: Loss of £27,292).

#### Resources Expended

Resources expended on the activities outlined above were £266,815 (2019: £256,304) and are detailed in Note 3 to the Financial Statements.

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

Resources expended from unrestricted funds on the collection and exhibitions' charitable activities totalled £184,542 (2019 £225,749) which 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.

#### The Net Results for the Year 2020

The results for the year show a surplus on net movement in funds of £270,454 (2019: £289,136) being a surplus of £210,133 on unrestricted funds and a surplus of £60,321 on restricted funds. (2019: unrestricted surplus £290,533, restricted deficit £1,397). Cash balances were £272,211 (2019: £88,024).

#### 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.

#### 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 2020. 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.



## **CARTOON ART TRUST LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Plans for Future Periods**

The Museum aims to reopen from the current round of COVID-19 closure in May, reopening with a high-profile new exhibition in place, V for Vendetta. Footfall on reopening is estimated to be approx. 20% of pre-COVID, with an increase expected in the late Summer/early Autumn.

Beginning in 2021, the Museum will undertake an audit of its art collections of approximately 3000 cartoons and 402 comic art pages. 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.

Three In-Focus exhibitions are currently planned (subject to change) – Natasha Natarajan (May – July); Sikh Comics (July – September); Ralph Steadman (October- December). A TBC Q4 exhibition in the temporary gallery is in discussion - likely Roy of the Rovers – but this is dependent on potential for future closures, the levels of returning footfall, and the success/interest in extending V for Vendetta.

Additionally, we have been exploring opportunities for external funding to support an entirely new programme that supports autistic audiences, through monthly early opening events and activities that use the comic strip conversations educational tool as a model for using art and cartoons to connect with young people with autism and hope to further explore the potential for this during 2021. We will also be building relationships with new community partners, including Westminster City Lions, and the Young Westminster Foundation.

Through this work we are aiming to diversify our audience and create better access points. The immediate aspects of these plans are understandably now seeing a delay due to coronavirus but are still a strong focus area as our Strategy to 2023 is developed. The two key parts of the strategy that will be delivered during 2021 is implementing the Learning review, with an aim of increasing school booking numbers, and implementing a review of the Retail operation (including the web shop), spearheaded by recommendations set out by Alvarez and Marsal in their 2020 retail review.

#### **Trustees' Responsibilities in relation to the Financial Statements**

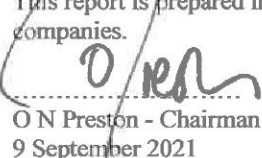
The Trustees (who are also the Directors of Cartoon Art Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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  
9 September 2021

## **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 2020 set out on pages nine to twenty.

### **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

**9 September 2021**

**CARTOON ART TRUST LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating Income and Expenditure Account)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

		2020		
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>Income</b>	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
<b>Total Income</b>		<u>422,139</u>	<u>115,130</u>	<u>537,269</u>
<b>Resources Expended</b>				
Costs of Raising Funds	3.1	27,464	-	27,464
Charitable Activities	3.2	184,542	54,809	239,351
<b>Total Resources Expended</b>		<u>212,006</u>	<u>54,809</u>	<u>266,815</u>
<b>Net Income / (Expenditure) for the year</b>	4.1	210,133	60,321	270,454
Transfers between funds		62,930	(62,930)	-
<b>Net Movement in Funds</b>		<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**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating Income and Expenditure Account)**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

		2019		
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>Income</b>	2			
From Generated Funds				
Donations		488,084	525	488,609
From Charitable Activities				
Operation of a Museum for the purposes of education, research and enjoyment		56,814	-	56,814
Investment Income		17	-	17
<b>Total Income</b>		<u>544,915</u>	<u>525</u>	<u>545,440</u>
<b>Resources Expended</b>				
Costs of Raising Funds	3.1	28,633	-	28,633
Charitable Activities	3.2	225,749	1,922	227,671
<b>Total Resources Expended</b>		<u>254,382</u>	<u>1,922</u>	<u>256,304</u>
<b>Net Income / (Expenditure) for the year</b>	4.1	290,533	(1,397)	289,136
Transfers between funds		-	-	-
<b>Net Movement in Funds</b>		<u>290,533</u>	<u>(1,397)</u>	<u>289,136</u>
Total Funds brought forward		1,415,498	310,778	1,726,276
Total Funds carried forward		<u>1,706,031</u>	<u>309,381</u>	<u>2,015,412</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.

The notes on pages 13 - 20 form part of these financial statements

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

**BALANCE SHEET  
AS AT 31 DECEMBER 2020**

	Notes		2020	2019
		£	£	£
<b>Fixed Assets</b>	<b>6</b>			
Heritage assets			1,171,467	1,171,308
Leasehold Property			872,972	917,581
Investments			1	1
			<u>2,044,440</u>	<u>2,088,890</u>
<b>Current Assets</b>				
Debtors and prepayments	7	146,884		112,021
Cash		<u>272,212</u>		<u>88,024</u>
		419,096		200,045
<b>Current Liabilities</b>				
Creditors due within one year	8	<u>90,170</u>		<u>161,023</u>
Net Current assets			<u>328,926</u>	<u>39,022</u>
Creditors due greater than 1 year	8		<u>871,300</u>	<u>112,500</u>
Total Net Assets			<u>2,285,866</u>	<u>2,015,412</u>
<b>Capital and Reserves</b>				
Capital	10			
The Company is limited by Guarantee and does not have a Share Capital				
<b>Funds</b>				
Unrestricted Funds	11		1,979,094	1,706,031
Restricted Funds	11		306,772	309,381
			<u>2,285,866</u>	<u>2,015,412</u>

The notes on pages 13 - 20 form part of these financial statements

## **CARTOON ART TRUST LIMITED**

### **BALANCE SHEET AS AT 31 DECEMBER 2020**

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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 2020.

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

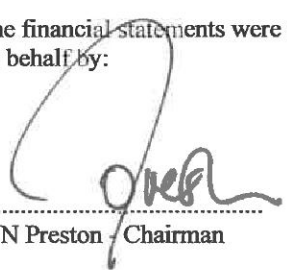
The trustees acknowledge their responsibilities for:

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 Section 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 9 September 2021 and were signed on its behalf by:



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O N Preston / Chairman

# CARTOON ART TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (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 (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 Trust'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 2020 (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 is 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 2020 (CONTINUED)

### 2. INCOME

	2020			2019
	Unrestricted	Restricted	Total	Total
	£	£	£	£
<b>Donations</b>				
Donations	258,912	115,130	374,042	483,679
Gift Aid	23,072	-	23,072	4,630
Donated Artwork at valuation	-	-	-	300
Business Support Grants	98,982	-	98,982	-
<b>Total</b>	<b>380,965</b>	<b>115,130</b>	<b>496,095</b>	<b>488,609</b>
<b>Charitable Activities</b>				
Friends Membership	9,399	-	9,399	7,845
Museum Admissions	24,132	-	24,132	36,268
Education & Workshops	1,761	-	1,761	4,355
Museum hire and other events	5,878	-	5,878	7,766
Other income	-	-	-	580
<b>Total</b>	<b>41,169</b>	<b>-</b>	<b>41,169</b>	<b>56,814</b>
 Interest	 5	 -	 5	 17
<b>Total Income</b>	<b>422,139</b>	<b>115,130</b>	<b>537,269</b>	<b>545,440</b>

### 3.0 RESOURCES EXPENDED

	2020			2019
	Unrestricted	Restricted	Total	Total
	£	£	£	£
<b>3.1 Donations</b>				
Other expenses	-	-	-	2,263
Support Costs	27,464	-	27,464	26,270
<b>Total</b>	<b>27,464</b>	<b>-</b>	<b>27,464</b>	<b>28,633</b>
<b>3.2 Charitable Activities</b>				
Exhibition costs	1,574	54,809	56,383	48,394
Education & Workshops	2,459	-	2,459	6,906
Other costs	11,338	-	11,338	14,946
Support Costs	169,171	-	169,171	157,425
<b>Total</b>	<b>184,452</b>	<b>54,809</b>	<b>239,351</b>	<b>227,671</b>
<b>Total Resources expended</b>	<b>212,006</b>	<b>54,809</b>	<b>266,815</b>	<b>256,304</b>

# CARTOON ART TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

### 3.3 Allocation of support costs

	Basis of Apportionment	Charitable Activities £	Donations £	Recharged To Subsidiary	Total £
Employment costs	Staff utilisation	85,990	15,924	6,370	108,284
Property costs, including amortisation of leasehold property	Space occupied	31,766	1,891	3,025	36,682
General office	Estimated activity	6,446	1,361	1,146	8,953
Organisation	Estimated activity	14,971	4,491	2,994	22,457
Leasehold Depreciation	Space occupied	29,997	3,797	3,038	36,832
		169,171	27,464	16,573	213,208

## 4. NET INCOMING RESOURCES

4.1 Net Incoming Resources are stated after charging auditors' remuneration of £3,900 (2019: £3,900). The auditor's remuneration relates solely to the independent examination.

4.2 Employee Information	2020 £	2019 £
Staff costs were as follows:		
Wages and salaries	112,261	97,763
Pensions	2,664	1,879
Social security costs	12,468	6,752
	127,393	106,394

The average monthly number of employees during the year was as follows:

Director	Full Time	1	1
Curator	Full Time	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
Learning Manager	Full Time	1	1

## 5. TRUSTEES REMUNERATION AND EXPENSES

No remuneration was paid to the trustees during the year (2019: £Nil). Travelling and subsistence expenses totalling £312 (2019: £3,694) were paid to one trustee during the year.

# CARTOON ART TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

6. FIXED ASSETS	Heritage Assets at Cost or Valuation £	Leasehold Premises £	Total £
<b>Cost or Valuation</b>			
At 31 December 2019	1,171,308	955,907	2,127,215
Purchased at cost	159	(6,638)	(6,479)
Disposals/written off	-	-	-
Donations at valuation	-	-	-
At 31 December 2020	<u>1,171,467</u>	<u>949,269</u>	<u>2,120,736</u>
 At 31 December 2019		38,326	38,326
Charge for the year	-	37,971	37,791
Eliminated on disposal/write off	-	-	-
At 31 December 2020	<u>-</u>	<u>76,297</u>	<u>76,297</u>
 <b>Net Book Value</b>			
At 31 December 2019	<u>1,171,308</u>	<u>917,581</u>	<u>2,088,889</u>
At 31 December 2020	<u>1,171,467</u>	<u>872,972</u>	<u>2,044,439</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 2020 and 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 (2019: £1) plus a balance on current account of £128,769 (2019: £97,895). 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 2020 (CONTINUED)**

<b>7. DEBTORS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other debtors	139,424	101,162
Gift aid recoverable	153	3,880
Prepayments	7,307	6,979
	<u>146,884</u>	<u>112,021</u>
<b>8. CREDITORS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Subscriptions received in advance	10,931	9,935
Trade creditors	6,657	67,828
Other creditors	17,682	12,499
Accruals	4,900	20,761
Loan Payments Due (Note below)	50,000	50,000
Total due within 1 year	<u>90,170</u>	<u>161,023</u>
Amounts falling due greater than 1 year		
Loan Payments due (Note below)	<u>87,500</u>	<u>112,500</u>
	<u>177,670</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.		
<b>9. OPERATING LEASE COMMITMENTS</b>	<b>2020</b>	<b>2019</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	43,128	58,129

**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. (2019: 26).

# CARTOON ART TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

### 11. FUNDS

#### 11.1 Analysis of Net Assets Between Funds

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Fixed assets	872,973	864,695	306,772	2,044,440
Current assets	419,096	-	-	419,096
Current liabilities	(177,670)	-	-	(177,670)
Net Assets at 31 December 2020	1,114,399	864,695	306,772	2,285,866

#### 11.2 Movement in Funds

	At 31 Dec 2019 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 Dec 2020 £
<b>Unrestricted Funds</b>					
Designated Funds					
Collection fund	864,536	159	-	-	864,695
General Funds	841,495	421,980	(212,006)	62,930	1,114,399
Total Unrestricted Funds	1,706,031	422,139	(212,006)	62,930	1,979,094
<b>Restricted Funds</b>					
Collection fund	306,772	-	-	-	306,772
HLF - Comic Creators	2,609	16,430	(5,779)	(13,260)	-
HLF - Covid 19 Business Support Fund	-	98,700	(49,030)	(49,670)	-
Total Restricted Funds	309,381	115,130	(54,809)	(62,930)	306,772
<b>Total Funds</b>	<b>2,015,412</b>	<b>537,269</b>	<b>(266,815)</b>	<b>-</b>	<b>2,285,866</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 2020 (CONTINUED)

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#### 12. RELATED PARTY TRANSACTIONS

The subsidiary's turnover for the year ended 31 December 2020 was £13,052 (2019: £22,394) including other income, cost of sales was £6,422 (2019: £14,577) and expenses of £35,089 (2019: £35,109), (including a contribution of £16,573 (2019: £16,361) to the charity's office and organisation costs). These resulted in a loss for the year before taxation and interest of £28,458 (2019: £27,292) from which a donation of £Nil (2019: Nil) was made to this Company.

The balance due from the subsidiary, the Cartoon Museum Limited, as at 31 December 2020 amounted to £128,769 (2019: £97,895). 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.

#### 13. POST BALANCE SHEET EVENTS

Post 31 December 2020, the spread of COVID-19 continued to severely impact various organisations and the economy as a whole. However, with the easing of restrictions, there are now signs that the economy is opening up and the economic position improving.

The trustees, however, remain cautious regarding the timing and speed of a recovery and consider that the company will have adequate resources to get through this ongoing period of uncertainty.

The trustees have considered the potential impact of COVID-19 on the business and have determined it to be a non-adjusting subsequent event.