

IKON GALLERY LIMITED

Financial Statements

Year ended 31 March 2022

Charity registration number: 528892
Company registration number: 00902136

Ikon Gallery Limited
Financial Statements
Year Ended 31 March 2022

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Ikon Gallery Limited

Charity Reference and Administrative Details

Year Ended 31 March 2022

| | |
|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Charity registration number | 528892 |
| Company registration number | 00902136 |
| Registered office | 1 Oozells Square Brindley Place Birmingham B1 2HS |
| Auditor | Cooper Parry Group Limited Chartered Accountants and Statutory Auditors Cubo Birmingham Office 401, 4 th Floor Two Chamberlain Square Birmingham B3 3AX |
| Solicitor | Shakespeare Martineau No. 1 Colmore Square Birmingham B4 6AA |
| Bankers | Handelsbanken 3 rd Floor, 67 Temple Row Birmingham B2 5LS |
| Trustees | Prof H Higson OBE Ms J Loynton Mr J Cloughton Mr N Smith Mr S Kinch Ms K Booth (resigned 31 October 2022) Ms H Randhawa Ms R Chiu Mr L Brocklehurst (appointed 25 April 2022) Ms D Sekar (appointed 25 April 2022) Mr L Williams (appointed 31 October 2022) |
| Company Secretary | Ian Hyde |
| Director of the Gallery | Jonathan Watkins (retired October 2022) |
| Acting Chief Executive Officer | Ian Hyde (from October 2022) |

Ikon Gallery Limited

Trustees' Annual Report

Year Ended 31 March 2022

The Trustees present their report (incorporating the directors' report) and the audited financial statements of the charity for the year ended 31st March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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.

Trustees of the charity

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

Prof H Higson OBE
Ms J Loynton
Mr J Cloughton
Mr N Smith
Mr S Kinch
Ms K Booth (resigned 31 October 2022)
Ms H Randhawa
Ms R Chiu
Mr L Brocklehurst (appointed 25 April 2022)
Ms D Sekar (appointed 25 April 2022)
Mr L Williams (appointed 31 October 2022)

Risk Management

The charity has a risk management strategy which comprises:

- A review of the risks that the charity may face;
- The establishment of systems and procedures to mitigate those risks identified;
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Our Risk Register highlights three risks (out of 135), from the areas of Operational Risk and Financial Risk, as follows:

Covid-19 (C-19) related risk: A full and detailed C-19 Risk Assessment has taken place to allow us to reopen as a C-19 Secure organisation. Further outbreaks of the pandemic may lead to further building closure. Action includes monitoring changes and following Government guidance, ensuring there are suitable staffing levels at Ikon throughout and ensuring applications are made to Government or other agencies to support us financially through the pandemic.

Availability of grant funding: Public funding may not be secure. Action includes monitoring policy changes through funding bodies, ACE, BCC and other sources. We aim to mitigate this risk through scenario planning, forecast budgets and business modelling with Board involvement.

Cost increases: Both inflation and energy costs are increasing. This is an impact on all budgets if projected income is not secured, or if income does not match the cost increases. Action includes regular reviews of major risks in the budget and revision of both expenditure and income accordingly.

Ikon Gallery Limited

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Year Ended 31 March 2022

OBJECTIVES AND ACTIVITIES

The objects of the charity are the advancement of education in the United Kingdom and internationally, and in particular in the City of Birmingham and in the West Midlands region, by encouraging the practice and the dissemination of knowledge of the arts in general but with especial regard to contemporary painting, sculpture and other forms of visual art.

The gallery aims to:

- stimulate engagement with contemporary visual art in a context of debate and participation by exhibiting work by artists from around the world, including film, sound, mixed media, photography, painting, sculpture and installation;
- develop relationships between art, artists and audiences outside the gallery through a range of off-site projects at different locations; and
- encourage public interest in and understanding of contemporary visual art through a range of education activities including talks, tours, workshops and seminars.

The strategies employed to achieve the charity's aims and objectives include:

- free admission to all exhibitions;
- organising and presenting exhibitions and other projects of national and international significance, both in the galleries and off site;
- creating opportunities for artists to make new work in the gallery and off-site in the community;
- organising a range of projects, events and activities for children, young people and adults, both in the gallery and in schools and local communities to increase the enjoyment and understanding of contemporary visual art;
- developing collaborations and productive relationships with other educational and cultural organisations, regionally, nationally and internationally to facilitate cross art-form collaboration and audience development;
- promoting and marketing the programme to attract a broad range of audiences and participants, and attract press coverage to raise the profile of contemporary visual art and the gallery nationally and internationally;
- publishing exhibition catalogues and other material and making these available through distributors, shop, and on the web site; and
- providing and maintaining high quality facilities to encourage engagement with contemporary visual art.

PUBLIC BENEFIT

Ikon's two primary areas of activity are:

- organising and presenting exhibitions and other events in the gallery and off-site that contribute to the understanding and enjoyment of contemporary visual art; and
- delivering a learning programme consisting of projects, tours, talks in the gallery and at other locations for a variety of different groups.

Ikon Gallery Limited

Trustees' Annual Report

Year Ended 31 March 2022

PUBLIC BENEFIT (continued)

Ikon offers free access for everyone to all its exhibitions and off-site activities and provides free interpretative and educational material to accompany each exhibition. Ikon's talks and tours are mostly free as is its community engagement programme.

We seek to present a high-quality programme of work by contemporary artists including emerging and established artists from Britain and abroad. Some projects will tour to other locations in the UK and internationally. We aim to provide opportunities for artists to develop through support of new commissions.

We organise artists' projects outside the gallery space that facilitate direct public engagement with contemporary art.

Through Learning we provide regular talks and tours for groups and visitors to the gallery, and workshops and other projects for children, young people and adults of all backgrounds and abilities. Ikon works in partnership with Birmingham City Council to provide arts activity for hard-to-reach communities in Birmingham. Programmes of activity for school children, young people and family groups develop confidence and expressiveness in a supportive environment.

The above statements comply with the fourth commencement order of the Charities Act 2006 relating to Public Benefit and are in line with Charity Commission Guidance.

Achievements and Performance in 2021/22

2021/22 was abnormal due to the ongoing C-19 global pandemic. Ikon's premises were open most of the year, being closed due to Government restrictions at the start, during April – 17 May 2021. Although open throughout winter 2021/22, a Government work from home directive issued for the Omicron variant considerably reduced visitor numbers.

The following is a summary of Ikon's achievements and performance during 2021/22 with respect to the five key goals identified in our Strategic Plan 2018-22:

1. Continued development of an artistic programme that is experimental and of the highest quality, engaging on local, national and international levels

Ikon's programme during 2021/22 demonstrated a continuing commitment to commissioning art work, supporting artists at critical stages of their careers, and presenting to audiences a broad range of international practice, media and perspectives. Gallery exhibitions, as follows:

- Hurvin Anderson. *reporting back* (theVOV online) 26 April to 7 June.
- Ikon for Artists. Art Sale. 17 – 31 May.
- A Very Special Place: Ikon in the 1990s. 18 June – 30 August.
- Keith Piper. *A Ship Called Jesus (Redux)*. 20 July – 21 November.
- Bill Woodrow Richard Deacon. *We Thought About It A Lot, and other shared drawings*. 15 September – 21 November.
- Mit Jai Inn. *Dreamworld*. 15 September – 21 November.
- Betsy Bradley *Chasing Rainbows*. 3 December – 13 February.
- James T. Hong. *Animal*. 3 December – 13 February.
- Noor Abed. *our songs were ready for all songs to come*. 3 December – 13 February.
- Britta Marakatt-Labba. *Under the Vast Sky*. 23 February into year 2022/23
- Carlo Crivelli. *Shadows on the Sky*. 23 February into year 2022/23
- Audrey Flack. *After Crivelli*. 23 February into year 2022/23

Ikon Gallery Limited

Trustees' Annual Report

Year Ended 31 March 2022

Commissions

Ikon produces as well as promotes contemporary art. During 2021/22 we commissioned from Keith Piper (one of the UK's most prominent Black British artists) a video work entitled *A Ship Called Jesus (Redux)*, shown online and in the gallery. We extended this display through two of our exhibition seasons.

Mit Jai Inn's exhibition, *Dreamworld*, comprised a number of new works commissioned by Ikon, including *Dream Tunnel (2021)* an immersive installation made in response to the arched ceilings of Ikon's second floor, and *Midlands Dwelling (2021)* a large installation of canvas and welded sculptures made "for the people of Birmingham".

Betsy Bradley's exhibition included a number of works she made especially for *Chasing Rainbows*, including a commissioned work, *Boogie Wall (2021)*, an immersive installation made to fill a partition wall space on Ikon's second floor.

Collaborations

During 2021/22 Ikon maintained existing links and developed new partnerships with arts organisations – locally, nationally and internationally – especially with a view to audience development, widening the scope of our engagement with different cultural networks.

Ikon collaborated with Selfridges to produce a new large-scale art installation by multidisciplinary artist Osman Yousefzada. Entitled *Infinity Pattern 1*, the temporary architectural structure transformed Birmingham's skyline covering the iconic Selfridges building with a bold colour palette of pinks and black arranged in a striking tessellated pattern to convey the idea of a world without borders.

Ikon joined theVOV, a new virtual platform to present Hurvin Anderson's 2013 exhibition *reporting back*. A selection of 12 paintings and related material was presented in a virtual simulation of Ikon's first floor galleries, accessible via theVOV's and Ikon's website.

Publishing

Five publications and one digital only publication produced by Ikon during 2021/22, as follows:

- *A Very Special Place: Ikon in the 1990s*,
- *Mit Jai Inn. Dreamworld*
- *Betsy Bradley. Chasing Rainbows*
- *James T. Hong. Animal* (digital only publication)
- *Carlo Crivelli. Shadows on the Sky*
- *Britta Marakatt-Labba. Under the Vast Sky*

2. Increased focus on audience development at local, national and international levels

Ikon contributes to national audience data gathering initiatives, including Audience Finder surveys, using both quantitative and qualitative research for a snapshot view of visitors, tracking demographics such as age, gender, sexuality, ethnicity, education and geography. In 2021/22 we used Audience Finder less, in favour of the Insight and Impact digital tool kit. Oral feedback and comments cards provided more in-depth direct audience responses. These were reported at quarterly Trustees meetings.

The digital tool kit continued to be particularly effective for our digital work, garnering feedback from audiences from their homes all over the world. Our output became a mix of digital and gallery-based delivery for events, schools, families and communities to continue our audience engagement as best we could.

We work with Audience Agency and Contemporary Visual Arts Network to keep abreast of developments in the sector, complementing our engagement with other agencies such as Culture Central (Birmingham) and Plus Tate.

Ikon Gallery Limited

Trustees' Annual Report

Year Ended 31 March 2022

2. Increased focus on audience development at local, national and international levels (continued)

Appealing to culturally-focused audiences within a 45 minute driving distance, to encourage our audiences to return when they can, we have worked with local organisations such as West Midlands Cultural Response Unit, part of Culture Central, The Library of Birmingham, Birmingham Museums Trust, DASH, Birmingham Contemporary Music Group, STEAMhouse, School of Jewellery and other departments within Birmingham City University, Wolverhampton School of Art, Coventry University's School of Art and Design, as well as artist-led organisations such as Celebrating Sanctuary, Black Hole Club, based at Vivid and Centrala, Modern Clay and Migrant Voice.

Ikon Youth Programme re-launched *Slow Boat*, our canal-based project funded by Freelands Foundation, on 22 July 2021. Our narrow boat, the Aaron Manby, navigates the region's canal network offering alternative curriculum, through IYP, raising questions concerning the definition and relevance of art against a backdrop of societal change.

Ikon's programme during 2021/22 included a number of exhibitions that were cross-artform (e.g. *James T. Hong* and the evening of live electronic music by Cristiana Ilie, Chromatouch, Steckdose, RBMK and Taibach as well as online films throughout the year) and thus especially conducive to audience development.

Ikon's annual Migrant Festival returned for our third event (following a pause during the pandemic). A four-day programme mixing visual art, music, film and performance, it celebrates the contribution made by refugees and migrants to Birmingham and the UK, whilst bearing witness to the hardships and sacrifices involved. The annual Soapbox event was chaired by Saima Razzaqq, Head of Diversity and Inclusion at Birmingham Pride.

Off Site and Touring

Ikon's off-site activity is concerned fundamentally with audience development, reaching those who do not normally frequent galleries and museums, and demonstrating the continuity between art experience and everyday life.

HMP Grendon. Ikon continued to work with residents of HMP Grendon, Buckinghamshire. Dean Kelland entered his third year in residence and direct activity restarted following prison closure due to the pandemic (during which correspondence was continued through written letters). At the same time the ordering and distribution of artistic materials to the men was continued. A showcase exhibition took place at Wolverhampton School of Art during 24 August – 2 September.

Slow Boat. Our first year of *Slow Boat* funded by Freelands Foundation was focused on Ikon's Youth Programme (IYP) imagining alternative art schools and curriculums.

The Migrant Festival. Comprising eighteen events across four days in August, The Migrant Festival returned after an online only pause during the pandemic. A mixture of online and in-person events took place. A Zoom conversation between Jareh Das and Virginia Nimarkoh considered Donald Rodney's late practice in light of his suffering from sickle cell disease. At Selfridges, Jonathan Watkins chaired a discussion with artist Osman Yousefzada and Sathnam Sanghera, journalist and author of *Empireland* (2021). The festival ended with a performance by Anglo-Persian group Ava organised in collaboration with Celebrating Sanctuary Birmingham.

Looking Glass: Judy Watson and Yhonnice Scarce, an exhibition organised in collaboration with TarraWarra Museum, toured to Flinders University Museum of Art, Adelaide and Queensland University of Technology Art Museum. It will continue touring in Australia until October 2023.

Ikon in Venice. In summer 2021 Ikon presented *Conversazione*, an off-site project on canal boats by Claudia Losi with Collettivo Amigdala, an artistic group specialising in site-specific work with the voice as medium. At the same time, at an alternative space in Arsenale, we screened *Oscar* by Ann Veronica Janssens as a collateral event for the Venice Architecture Biennale, organised in collaboration with Venice-based curator Hesperia Iliadou.

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Off Site and Touring (continued)

Osman Yousefzada: *Infinity Pattern 1*, Selfridges (exterior) Birmingham, during July 2021 – March 2022.

George Shaw & Thomas Bewick. *Children Riding Gravestones*. Laure Genillard Gallery, London, during September – November 2021.

Mit Jai Inn. *Dreamworld*. 106 New Oxford Street, London, March/April 2022.

Learning

During 2021/22 Ikon's interpretative material remained primarily digital with QR codes providing downloadable information, often with artists' statements as a basis for audience dialogue with our Information Assistants (trained to lead groups and provide Spotlight Tours). There was further increased emphasis on digital interpretation with imagery and short documentaries online produced in-house.

Artist talks accompanied each exhibition as part of our public programme within the galleries or online. An online tour of Hurvin Anderson: *reporting back* (theVOV) was led by Eddie Chambers, artist, curator and art historian, and Melanie Pocock, Ikon Curator.

During our 1990s exhibition, *A Very Special Place*, a series of lunchtime talks took place online including discussions with curator Angela Kingston who revisited Ikon exhibitions she organised including *Mothers* (1990), *Clean/Dirty* (1994) and *Cold Comfort* (1996). Ikon premiered videos on YouTube including a conversation between Jonathan Watkins and Elizabeth Ann MacGregor, Director, Museum of Contemporary Art, Australia (Director of Ikon during the 1990s).

Monika Perez Vega led a drawing workshop for adults in the Brindleyplace pop-up garden responding to local architecture. A guided tour of Mit Jai Inn's exhibition at Ikon and *Journey of the Mind*, an exhibition by Without Shape Without Form, at the Library of Birmingham took place in November. Curators Melanie Pocock and Deep Kailey led discussions about artists' styles from an intercommunal and interfaith lens, addressing ideas of the mind and spirituality.

During SHOUT Festival, Ikon presented *Queer World (-ings)*, a group exhibition of contemporary queer artists working in film. Artists included Linda Stupart, April Lin 林森 and Seema Mattu.

Winter events were broadcast live due to a C-19 work from home directive. These included Betsy Bradley in conversation with art critic Hettie Judah. Steven Fambardella, editor of *The Sophist*, presenting a talk introducing philosophical figures who have influenced James T Hong and Osman Yousefzada discussing his memoir *The Go-Between* (2022) with Sara Wajid MBE, Co-CEO of Birmingham Museums Trust.

In February 2022 Ikon opened *Shadows on the Sky*, the first UK exhibition dedicated to the work of Renaissance artist Carlo Crivelli. The public programme included a symposium, organised in collaboration with The Barber Institute of Fine Art, involving a number of international curators and art historians. Jonathan Watkins and co-curator of the exhibition, Amanda Hilliam discussed Carlo Crivelli's "radical illusionism" with Caroline Campbell, Director of Exhibitions and Research at The National Gallery prior to the opening.

Depth and quality of learning

Monthly Family Saturdays led by local artists, Nilupa Yasmin, Jane Thakoordin and Sarah Hamilton Baker initially took place via Zoom. The latter workshop engaged families in sensory play. Accessible to all, it welcomed children with special educational needs and included audio descriptions and closed captioning.

Workshops moved outdoors during the summer months and Haseebah Ali's workshop focused on the subject of journeys, memories and belonging. In the autumn workshops took place indoors, with local artist duo Hipkiss and Graney creating a woodland drawing inspired by Woodrow and Deacon's exhibition and Liu Mengxia encouraging families to respond to Mit Jai Inn's *Dreamworld*, with colourful artworks conveying their dreams for the future.

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Trustees' Annual Report

Year Ended 31 March 2022

Learning (continued)

Depth and quality of learning (continued)

Online tours and Art Explorer Guides were available throughout the year to download in advance of Ikon visits, all led by local artists.

Schools and colleges

Our formal education work explored a wide range of themes and ideas through exhibitions in ways accessible to pupils of all abilities, at all key stages.

In person engagement with schools and colleges increased following C-19, with over 16,000 attending formal learning events and almost 3,000 for informal events. Through the download of our online key stage packs, produced for each exhibition, we also engaged with approximately 28,000 school children. This in turn, resulted in helping pupils throughout the year to achieve 671 Discover, 585 Explore, 208 Bronze, 792 Silver and 1 Gold Arts Awards.

Ikon Youth Programme

IYP includes members outside of formal education and participants from schools and colleges, as well as those who are currently not in education or employment. It continued to provide a space for young people to develop and share interests in visual art. Weekly online or in person meetings with invited artists took place throughout the year.

In the spring, IYP worked with Black Hole Club, towards planning for recruitment post-lockdown. During the summer, IYP were fully involved with developing and delivering the Slow Boat programme, and in winter, they visited the Turner Prize and the Coventry Biennial at the Herbert Art Gallery & Museum. Artist Morgan Stockton introduced IYP to different glassblowing techniques, whilst Hira Butt presented her installations of jewellery connected to female, diasporic spaces. With Betsy Bradley, IYP experimented with painted colours and forms towards the redesign of Slow Boat's exterior. Graphic designer and illustrator Laura Jaunzems translated this creativity into a series of boat designs which IYP evaluated. Jaunzems collaborated with IYP on a publication that reflects the first year of the project funded by Freelands Foundation.

Visitors

Attendances during 2021/22, as follows:

| | |
|----------------------------------------------------------------------|---------|
| Exhibitions (in person at Ikon) | 162,000 |
| International off site and touring | 20,000 |
| <i>Infinity Pattern 1</i> , Osman Yousefzada, external of Selfridges | 71.7m |
| Online digital events | 66,000 |
| Learning digital engagement | 28,000 |

Marketing & Digital

Ikon's digital use has continued to develop at pace, due to the global pandemic, allowing us to reach and sustain new audiences in addition to physical audiences who are returning when able.

Our digital distribution has grown rapidly with multiple "live" events on platforms such as Zoom and YouTube Premiere, such as Joe Lycett discussing his eight-favourite works of art with Jonathan Watkins during the time his work was exhibited in Ikon for Artists: Art Sale.

Ikon invested further in new staff such as a Digital Producer to ensure we can work with facilities in-house to create digital content quickly. Besides Google, during 2021/22 we worked with Facebook and used Twitter, Hootsuite, Instagram and continued with email distribution to keep audiences in touch.

Ikon Gallery Limited

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Year Ended 31 March 2022

Marketing & Digital (continued)

Our blog has been taken over by many artists throughout the year, related to both gallery exhibitions and off-site projects, such as Dean Kelland posting updates, *Notes from HMP Grendon*. We took part in the fringe programme for the Association for Art History 2021 conference presenting two of our digital events and produced a series of short teaser films about Mit Jai Inn's exhibition for social media which were incredibly popular on Instagram. We produced a video in partnership with Birmingham City University with Mit Jai Inn and Head of Research of Birmingham School of Art, Professor Joshua Jiang in conversation, covering the subjects of Asian contemporary art. Our exhibitions were advertised on large screen format in Birmingham's city centre.

Press and PR

During 2021/22 Ikon had good local, national and international press coverage for exhibitions. Locally we received coverage regularly through *Birmingham Mail*, *The Birmingham Press*, Westside BID, Hear FM, *I Choose Birmingham* and Birmingham TV. Our relationship with Selfridges for Osman Yousefzada's *Infinity Pattern 1*, resulted in extensive coverage including *The Art Newspaper*, *Wallpaper**, *The Guardian*, *Vogue* and local coverage including the BBC. Other coverage included *The Guardian* (Betsy Bradley), *Art Asia Pacific* and *Studio International* (Mit Jai Inn), and *The Telegraph* where Ikon was in a guide to 48 hours in Birmingham.

Collaborative Marketing

During 2021/22 Ikon benefited from collaborative marketing, e.g. through cultural collectives such as Culture Central, local digital festivals, networks such as Plus Tate and non-art agencies including West Midlands Growth Company, Brindleyplace, foreign governmental departments and corporate colleagues such as Selfridges.

3. An increasingly prominent role in the cultural life of Birmingham and the region

During 2021/22 Ikon continued actively to promote cultural experience in the West Midlands, especially as a member of Culture Central, the cultural development agency for Birmingham, leading in local and regional cultural life, in partnership with other arts organisations.

Throughout the pandemic Ikon has contributed to the West Midlands Cultural Response Unit (formed by Culture Central). Zoom meetings took place with a diverse range of arts organisations across the region concerned to interpret government guidance, share and learn from each other regarding practical considerations and strategies towards reopening as Covid-secure venues.

Ikon continued to work and engage with BIDs, Birmingham City Council Tourism and West Midlands Growth Company to monitor and encourage the public to return to the city centre. With West Midlands Growth Company, we participated in a pilot project covering digital visitor engagement which resulted in a 42% increase in email signs up.

In July, Ikon worked with Birmingham Civic Society in order to facilitate a Blue Plaque to be installed celebrating George Dixon, who chaired the first Birmingham Education Society and the National Education League. The Forster's Elementary Education Act of 1870 passed onto the Statute Book, setting the path for compulsory and free schooling for all. Following this act and the expansion of teaching, the School Board School on Oozells Street, in which Ikon is located, was built in 1877.

Emerging and Local Artists

During 2021/22 our support for emerging and local artists continued through our Learning and Off-site programmes, reflecting on and linked to our gallery exhibitions, e.g. our employment of local freelance artists through the year for our Zoom family events such as Nilupa Yasmin, Monica Perez Vega and Farwa Moledina.

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Emerging and Local Artists (continued)

Ikon For Artists was an exhibition involving over 250 Birmingham-based artists who submitted artworks for sale through an open call. Work in a range of media was presented in the gallery and online, and 100% of the proceeds from artwork sales went directly to the artists. Formed in response to C-19, *Ikon for Artists* aimed to support and work with local artists whose income had been impacted by the pandemic.

4. Greater financial sustainability

Revenue Funding

Arts Council England

£1,028,308 revenue funding was received for 2021/22. £129,473 was received from the Cultural Recovery Fund, £100,000 for digitising of archive and new website, £29,473 to increase our reserves.

Birmingham City Council

£19,731 revenue funding received for 2021/22.

Resilience and Fundraising

During 2021/22 we benefited from the government's furlough and flexible furlough scheme at the start of the year. At this point our workflows were increasing and we were returning staff to work. Additionally, we received government grants during the winter work from home period and business rates relief.

Ikon's fundraising continued in parallel, strengthening our resilience through successful applications to trusts and foundations such as The Owen Family Trust, and Grimmit Trust. In addition, we received a second grant through the Greater Birmingham and Solihull Local Enterprise Partnership to allow us to invest in a new 3D Matterport Pro2 camera which we use to Ikon's exhibitions digitally. This is useful for planning and maintenance, as well as for digital content and accessibility, creating virtual versions and exhibition archives. We were also successful with an application to the second round of the Government's £1.57billion Culture Recovery Fund towards a new website, the digitisation of our archive and the appointment of a digital producer, along with a smaller amount to top up reserves.

We are especially thankful to those patrons and benefactors supporting us during 2021/22 with additional donations. Our online ticketing system enabled donations through attendance bookings, augmenting those made at Goodbox 'Tap to Give' terminals and a cash box in our reception area.

Our 50th Anniversary Investment Fund continues to fluctuate with world occurrences and is indicated within the accounts.

5. Sustained organisational integrity, alongside possibilities for change

Managerial Practice

Ikon is proactive in its approach to diversity and inclusion, determined to remove unfair barriers – perceived or real – for individuals wishing to engage with Ikon, as members of our workforce, as participants, visitors or artists. All employees, freelancers and contractors apply principles of diversity, as outlined in our Equality Diversity and Inclusion Plan, and contribute to the implementation of this strategy, reviewed by our staff working group, as well as the Senior Management Team and quarterly Board meetings.

During 2021/22 Ikon was actively engaged with the More than a Moment consortium, coordinated by Culture Central, concerned to ensure greater opportunities and equality for Black artists and creatives in the West Midlands, as well as anti-racism in the arts.

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Year Ended 31 March 2022

5. Sustained organisational integrity, alongside possibilities for change (continued)

Managerial Practice (continued)

All staff attended regular Equality Diversity and Inclusion meetings throughout the year. Outcomes included pronouns being added to email footers and on Teams/Zoom meetings, as well as becoming a Disability Confident Employer.

Personnel

During 2021/22, DBS checks were made on new employees and renewed for existing employees as required.

Various staff posts were created during the year to support our full reopening after the pandemic including Digital Producer, and new roles to deliver the Slow Boat programme.

Ikon as an Entry Level Employer

During 2021/22 Ikon offered two work experience positions for students, as we became able to host them as we reopened safely.

Training

Ikon continued to invest in staff training and professional development.

Twelve of the staff team who manage staff and recruitment undertook unconscious bias training from BRAP during the year.

Ikon's Facilities team worked with Coventry University's School of Art and Design to formulate and produce "Art Technician Boot Camp", a free course for participants which aims to provide a high standard of professional training to support employment in the arts and cultural sector. The course which first ran in August 2021 aligns with Ikon's practice of supporting, developing and recruiting a sustainable and diverse pool of freelance art technicians, a significant but often unsung role within the sector and also one which is crucial for artists, among others, providing a regular source of income.

Building Maintenance

During 2021/22, we completed the investment in our capital improvements thanks to an ACE Small Capital grant of £322,250. In addition, we received an ACE Capital Kickstart grant of £100,272.

Ikon re-opened successfully in May 2021 following the national lockdown due to the Covid-19 pandemic. We have operated as a Covid-secure venue, accredited by Visit Britain's "Good to Go" scheme throughout the year, including through the working from home period in winter.

Items making us Covid-secure included attendance bookings (whilst remaining free), clear signage, one-way systems, sanitation stations, face coverings and screens to protect staff, staff bubbles and reducing capacity in the galleries to allow social distancing, while limiting staff members back into the offices.

By the end of the financial year as we moved into spring 2022, many of these restrictions were scaled back in line with Government guidance, while retaining CO2 monitoring in all spaces and increased airflow within the galleries and offices.

Ikon Gallery Limited**Trustees' Annual Report****Year Ended 31 March 2022****Building Maintenance (continued)**Energy consumption and capital works

Throughout the year our energy consumption reflected our building use. When our premises were closed, our energy consumption was reduced substantially. As in the previous year, when we opened again we had higher levels of energy consumption than normal due to fresh air ventilation requirements as part of being a Covid-secure venue.

The additional Kickstart funding enabled us to revise our capital works in light of the pandemic. We made changes to our ventilation systems, IT systems and external door refurbishment. Furthermore, we have made the most of closures, undertaking other projects – e.g. LED lighting – without interruption. Our Energy Policy and action plan, initially implemented in 2012, will be updated as we move into 2022/23.

FINANCIAL REVIEW

The group deficit for the year totalled £112,375 (2021: surplus of £466,456). Of this, a £149,075 surplus (2021: a surplus of £542,173) was produced by unrestricted funds with restricted funds decreasing by £261,450 (2020: decreasing by £75,717).

Oozells Trading Limited's activities during the year were that of the leasing of the trading areas as a café. The net income of Nil (2021: £2,715) is payable to the holding company as a charitable donation made under Gift Aid.

Additions to the group tangible fixed assets total £176,440.

The total net book value of group tangible fixed assets is now £3,435,857 (2021: £3,494,627) investments total £626,720 (2021: £575,203), net current assets total £623,638 (2021: £728,760) and creditors falling due after one year £nil, resulting in total group net assets of £4,686,215 (2021: £4,798,590).

Total group funds at 31 March 2022 of £4,686,215 (2021: £4,798,590) were comprised of £1,338,839 (2021: £1,189,764) unrestricted reserves, £3,347,376 (2021: £3,608,826) restricted funds.

Reserves Policy

The Balance Sheet shows unrestricted general free reserves (i.e. reserves that do not show any restriction on how they can be used which are represented by net current assets) as at 31 March 2022 of £573,638.

The Trustees consider that, ideally, unrestricted reserves should equate to approximately three months' running costs and be sufficient to cover the maximum potential liabilities that could arise in the event of winding up the company, budgeted at £500,000.

The Trustees believe that the current level of reserves provides Ikon with adequate funds to meet potential liabilities of winding up the company and will continue to grow the reserves to achieve the total ideal reserve level over the coming years.

It should be noted that the Ikon 50 Fund of £500,000 is designated by the Trustees for the development of new work and support of artists.

Development Fund – this fund was set up as a restricted fund using grants received from the National Lottery Fund, European Regional Development Fund, Foundation for Sports and the Arts, Argent plc, and other donations for the purpose of refurbishing Oozells Street School as a site for Ikon Gallery. This fund is being written off at the same rate as the expected useful life of the fixed assets relating to the development.

Restricted Grants – This is grant income received during the year relating to specific exhibitions or projects and the funds expended on these activities.

Ikon Gallery Limited

Trustees' Annual Report

Year Ended 31 March 2022

Reserves Policy (continued)

Ikon Gallery Limited established an investment fund in 2015. The Fund is managed by the Board and is intended to protect the organisation from financial risk. It will only be allocated when there is no other course of action to be taken such as complete withdrawal of all public funding or closure. The Fund's capital will be safeguarded with any interest made annually to be used to support exhibition development to an agreed level of funding each year, wherever possible, for an exhibition at Ikon or for some equivalent form of project or activity.

Although the fund continues to fluctuate, the initial C-19 impact on the stock-market has not been sustained as the markets globally have bounced back and countries and businesses have unlocked.

Future Plans

Ikon will continue to deliver a high-quality programme of exhibitions and events to engage a wide range of audiences. Slow Boat, our canal-based project will continue in 2022/23 and Art in HMP Grendon has been extended for an additional year. We look forward to working offsite alongside partners such as Brindleyplace in prominent safe locations throughout the city and beyond. Internationally, our work will continue to be shown especially through partnerships in Australia, France and Italy.

Fundraising and Development

We are making a concerted effort to increase funding from non-core sources, especially in the light of C-19 setbacks. More commercial artistic commissions are being sought, and we are capitalising on opportunities that arise through marketing and PR activity, e.g. philanthropic and donor cultivation, memberships and corporate support. We aim to boost retail through our new online shop social media while increasing our requests for donations through digital payment mechanisms.

Fundraising standards information

The charity is registered with the Fundraising Regulator and complies with all requirements. Ikon is a small charity who's main fundraising approach is to apply to Trusts and Foundations for grants towards the core costs of the organisation and artistic and educational projects. The charity monitors our internal staff team and our approach to maintaining our relationships with individuals around patronage and financial support through regular income generation meetings. The charity does not pay external fundraisers or companies to raise money for us, we do not make unsolicited approaches to individuals either on the street or by phone and we have received no complaints regarding the fundraising strategy.

Staff

Jonathan Watkins, Director of Ikon for 23 years, retired from Ikon in October 2022. Recruitment is taking place through the consultation of a search agency. Ian Hyde, Chief Operating Officer, is now the Acting Chief Executive Officer.

Our Front of House team (Information Assistants) will continue to be recruited through twelve-monthly cycles, ensuring that we achieve more diversity in our staff.

The charity does not make use of volunteers.

Audience Development

We will continue to implement our audience development plan during 2022/23, to a significant extent through responding to changing city/region demographics, e.g. new waves of immigration, increased number of elderly residents, the impact of ongoing austerity, manifested especially in homelessness, poverty, as well as responding to impacts of C-19 by continuing to remain open and free to all to support mental health recovery.

Ikon Gallery Limited

Trustees' Annual Report

Year Ended 31 March 2022

Facilities and Capital

During 2022/23 we will review our fundraising strategy for the improvement of the essential infrastructure of Ikon's premises, reducing our carbon footprint and potential liabilities as listed in our Risk Register, whilst taking opportunities for growth, especially through the further implementation of digital technology.

Going concern

At the date of signing these financial statements, the Trustees have considered the effect of the Covid-19 global pandemic, increase in energy costs and the outcome of the 2023-26 Investment Programme in relation to the Gallery's core funding from Arts Council England, and do not believe that it will effect the group's ability to continue to operate for the foreseeable future. During this challenging period we will review and re-set our way of working, continuing to digitise our services to ensure that we become further accessible to those at home, or not able to make it to the Gallery. We have the technology needed to allow remote working for staff, and will continue to take advantage of government support schemes e.g. business rate relief via Birmingham City Council. Due to the level of cash reserves and cash balances held, and security of some of our income streams including the new multi-period core grant from Arts Council England (NPO) and external multi-year project grants, we are well placed to continue to operate. See accounting policy titled Going Concern for further details.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Ikon Gallery Limited is a company limited by guarantee governed by its Memorandum of Association dated 29 March 1967 and amended to allow for current governance arrangements on 15 March 2006. It is a registered charity with the Charity Commission. There are currently 10 members of the charity each of whom is an elected trustee and who agree to contribute £1 in the event of the charity winding up.

Appointment of trustees

The charity is a company limited by guarantee and is governed by its memorandum and articles of association. In accordance with this, directors who are trustees of the charity and members of the Board are appointed or elected as follows:

An individual must be appointed a Member of the Charity before they can be a Board Member. Membership is open to any artist, teacher or disseminator of knowledge of the arts or any individual interested in promoting the objects of the Charity in general.

The current Members of the Charity are the Board Members. A third of Board Members retire at each AGM with those longest in office retiring first. Each Board Member can be re-appointed for a maximum of three terms of three years.

The Chair, in consultation with other members and the gallery director, reviews the expertise required for the Board. Through personal and professional contacts and advice from organisations such as Arts and Business, candidates are approached and interviewed by the Chair and the Director of the Gallery. If there is agreement amongst Board members, a candidate is nominated, seconded and voted onto the Board at the Annual General Meeting.

Trustee induction and training

Trustees undergo induction when appointed to the Board. This involves a meeting with the Director of the Gallery and the Chair of the Board, and a tour of the gallery. New trustees receive a comprehensive pack containing information about the gallery, its programmes and policies, and copies of previous Board minutes and documents relevant to the current discussions. They also receive a staff plan and brief biographies of current staff.

Ikon Gallery Limited

Trustees' Annual Report

Year Ended 31 March 2022

Organisation

The charity is administered by the Board which can have up to 15 members and meets quarterly. The Board have appointed a Director of the Gallery to manage day to day operations of the charity. To facilitate operations the Director has delegated authority, within terms of delegation approved by the Board, for operational matters including finance, employment and artistic activity.

The Risk Committee, comprising four Board members, meets on a quarterly basis to consider in detail financial reports and other issues relating to the management of the charity. Minutes of these meetings are circulated to the Board.

The Trust considers its key management personnel comprise the director and deputy director. The pay of the key management personnel is set with reference to benchmarking using comparable roles in organisations similar to Ikon.

Related parties

The charity's wholly owned subsidiary, Oozells Trading Limited, was established to operate the commercial activities of the charity. The subsidiary's only current activity is the lease of property for use as a café/restaurant. The subsidiary's profits are covenanted to the charity (see note 14 in the accounts).

Birmingham City Council and Arts Council England provide funding to support core operating costs.

Statement of Directors' and Trustees' Responsibilities

The trustees (who are also directors of Ikon Gallery Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepting 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

Ikon Gallery Limited

Trustees' Annual Report

Year Ended 31 March 2022

Statement of Directors' and Trustees' Responsibilities (continued)

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared taking advantage of the exemptions for small companies within Part 15 of the Companies Act 2006.

Auditors

Cooper Parry Group Limited has expressed its willingness to continue in office and will be proposed for re-appointment at the Annual General Meeting.

Signed on behalf of the Board on 30 November 2022

DocuSigned by:

20CCF52ACT984AE

Prof H Higson OBE
Chair

Ikon Gallery Limited

Independent Auditor's Report to the members and trustees of Ikon Gallery Limited

Year Ended 31 March 2022

Opinion

We have audited the financial statements of Ikon Gallery Limited ("parent charitable company") and its subsidiary ("the group") for the year ended 31 March 2022 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

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

Ikon Gallery Limited

Independent Auditor's Report to the members and trustees of Ikon Gallery Limited

Year Ended 31 March 2022

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report (incorporating the directors' report) has been prepared in accordance with legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (incorporating the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with those Acts.

Ikon Gallery Limited

Independent Auditor's Report to the members and trustees of Ikon Gallery Limited

Year Ended 31 March 2022

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

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

Our assessment focussed on key laws and regulations the group and parent charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, Trustee Act 2000, Charities (Protection and Social Investment) Act 2016, taxation legislation, data protection and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the group and parent charitable company and how the group and parent charitable company are complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the group and parent charitable company's control environment and how the group and parent charitable company have applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the group and parent charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Ikon Gallery Limited

Independent Auditor's Report to the members and trustees of Ikon Gallery Limited

Year Ended 31 March 2022

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink, appearing to read "Glen Bott FCA", with a long horizontal line extending to the right.

Glen Bott FCA

Senior Statutory Auditor for and on behalf of:

Cooper Parry Group Limited

Chartered Accountants and Statutory Auditors
Cubo Birmingham
Office 401, 4th Floor
Two Chamberlain Square
Birmingham
B3 3AX

Date: 1 December 2022

Ikon Gallery Limited**Group Statement of Financial Activities (incorporating the income and expenditure account)****Year Ended 31 March 2022**

| | | 2022 | | 2021 | |
|------------------------------------|------|-----------------------|---------------------|-------------|-----------|
| | | Unrestricted funds | Restricted funds | Total | Total |
| | Note | £ | £ | £ | £ |
| Income from: | | | | | |
| Donations and legacies | 2 | 1,317,647 | 195,385 | 1,513,032 | 1,564,075 |
| Charitable activities | 3 | 167,793 | - | 167,793 | 3,889 |
| Other trading activities | 4 | 81,774 | - | 81,774 | 21,554 |
| Investments | 5 | 12,978 | - | 12,978 | 11,392 |
| Other | 6 | 56,590 | - | 56,590 | 112,371 |
| Total income | | 1,636,782 | 195,385 | 1,832,167 | 1,713,281 |
| Expenditure on: | | | | | |
| Raising funds | 7 | 265,333 | - | 265,333 | 183,576 |
| Charitable activities | 7 | 1,301,093 | 421,041 | 1,722,134 | 1,158,852 |
| Total expenditure | | 1,566,426 | 421,041 | 1,987,467 | 1,342,428 |
| Net gains on investments | | 42,925 | - | 42,925 | 95,603 |
| Net income / (expenditure) | | 113,281 | (225,656) | (112,375) | 466,456 |
| Transfers between funds | | 35,794 | (35,794) | - | - |
| Net movement in funds | | 149,075 | (261,450) | (112,375) | 466,456 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | 18 | 1,189,764 | 3,608,826 | 4,798,590 | 4,332,134 |
| Total funds carried forward | | 1,338,839 | 3,347,376 | 4,686,215 | 4,798,590 |

All income and expenditure derive from continuing activities.

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

Ikon Gallery Limited**Balance Sheet****Year Ended 31 March 2022**

| | | Group 2022 | Group 2021 | Company 2022 | Company 2021 |
|-------------------------------------------------------|------|-----------------------|-----------------------|-------------------------|-------------------------|
| | Note | £ | £ | £ | £ |
| Tangible assets | 13 | 3,435,857 | 3,494,627 | 3,435,856 | 3,494,626 |
| Investments | 14 | <u>626,720</u> | <u>575,203</u> | <u>626,722</u> | <u>575,203</u> |
| | | 4,062,577 | 4,069,830 | 4,062,578 | 4,069,831 |
| Current assets | | | | | |
| Stocks | | 67,720 | 39,985 | 67,720 | 39,985 |
| Debtors | 15 | 303,673 | 260,225 | 306,232 | 267,116 |
| Cash at bank and in hand | | <u>750,994</u> | <u>728,355</u> | <u>745,536</u> | <u>720,015</u> |
| | | 1,122,387 | 1,028,565 | 1,119,488 | 1,027,114 |
| Creditors: amounts falling due within one year | 16 | <u>(498,749)</u> | <u>(299,805)</u> | <u>(495,851)</u> | <u>(298,355)</u> |
| Net current assets | | <u>623,638</u> | <u>728,760</u> | <u>623,637</u> | <u>728,759</u> |
| Net assets | | <u>4,686,215</u> | <u>4,798,590</u> | <u>4,686,215</u> | <u>4,798,590</u> |
| Represented by | | | | | |
| Restricted funds | 18 | 3,347,376 | 3,608,826 | 3,347,376 | 3,608,826 |
| Unrestricted funds | 18 | <u>1,328,839</u> | <u>1,189,764</u> | <u>1,328,839</u> | <u>1,189,764</u> |
| Total funds | | <u>4,686,215</u> | <u>4,798,590</u> | <u>4,686,215</u> | <u>4,798,590</u> |

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within section 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the Board on 30 November 2022

Signed on behalf of the board of trustees

DocuSigned by:

 2CCCF52AC79B4A6...
 Prof H Higson OBE – Trustee

Company registration number: 00902136

The notes on pages 25 - 39 form part of these financial statements.

Ikon Gallery Limited**Statement of Cash Flows****Year Ended 31 March 2022**

| | | 2022 | 2021 |
|--------------------------------------------------------------------|------|----------------|----------------|
| | Note | £ | £ |
| Net cash provided by operating activities | | | |
| Cash flow from operating activities | 20 | 192,815 | 722,259 |
| | | <hr/> | <hr/> |
| Cash flow from investing activities | | | |
| Purchase of property, plant and equipment | 13 | (176,440) | (112,931) |
| Purchase of investments | | (46,958) | (109,686) |
| Investment income received | | 12,978 | 11,392 |
| Proceeds from sale of investments | | 40,244 | 45,750 |
| | | <hr/> | <hr/> |
| Net cash flow used in investing activities | | (170,176) | (165,475) |
| | | <hr/> | <hr/> |
| Change in cash and cash equivalents in the reporting period | | 22,639 | 556,784 |
| Cash and cash equivalents at 1 April 2021 | | 728,355 | 171,571 |
| | | <hr/> | <hr/> |
| Cash and cash equivalents at 31 March 2022 | | <u>750,994</u> | <u>728,355</u> |
| Cash and cash equivalents consists of: | | | |
| Cash at bank and in hand | | 750,994 | 728,355 |
| | | <hr/> | <hr/> |
| Cash and cash equivalents at 31 March 2022 | | <u>750,994</u> | <u>728,355</u> |

Ikon Gallery Limited

Notes to the Financial Statements

Year Ended 31 March 2022

1 Summary of significant accounting policies

(a) General information and basis of preparation

Ikon Gallery Limited is a company limited by guarantee in the United Kingdom. In the event of the charitable group being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable group. The address of the registered office is given in the charitable group's information on page 2 of these financial statements. The nature of the charitable group's operations and principal activities are the advancement of education in the United Kingdom and internationally, and in particular in the City of Birmingham and in the West Midlands region, by encouraging the practice and the dissemination of knowledge of the arts in general but with especial regard to contemporary painting, sculpture and other forms of visual art.

The charitable group constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice. The accounts are prepared in sterling and rounded to the nearest £1.

Basis of Consolidation

The group financial statements are the result of the consolidation of the financial statements of the company and its subsidiary Oozells Trading Limited. The financial statements of all companies are made up to 31 March 2022.

No separate SOFA has been presented for the charity alone as permitted by section 408 of the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Ikon Gallery Limited

Notes to the Financial Statements

Year Ended 31 March 2022

1 Summary of significant accounting policies

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants in respect of its principal activities which are the advancement of education in the United Kingdom and internationally, and in particular in the City of Birmingham and in the West Midlands region, by encouraging the practice and the dissemination of knowledge of the arts in general but with especial regard to contemporary painting, sculpture and other forms of visual art. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes, such as shares. It comprises interest and dividends. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Ikon Gallery Limited

Notes to the Financial Statements

Year Ended 31 March 2022

1 Summary of significant accounting policies

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds
- Expenditure on charitable activities
- Other expenditure.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises and other overheads have been allocated on a pro rata basis.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 7.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

| | |
|-----------------------------------|-----|
| Long Leasehold land and buildings | 2% |
| Fixtures and equipment | 25% |
| Computer equipment | 25% |

Ikon Gallery Limited

Notes to the Financial Statements

Year Ended 31 March 2022

1 Summary of significant accounting policies (continued)

(g) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently they are measured at fair value with changes recognised in "net gains/ (losses) on investments" in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

Investments in subsidiaries are measured at cost less impairment.

(h) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

(i) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(j) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SoFA unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(k) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(l) Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(m) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2022****1 Summary of significant accounting policies (continued)****(n) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(o) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes

(p) Going concern

At the date of signing these financial statements, the Trustees have considered the effect of the Covid-19 global pandemic, increase in energy costs and the outcome of the 2023-26 Investment Programme in relation to the Gallery's core funding from Arts Council England, and do not believe that it will effect the group's ability to continue to operate for the foreseeable future. During this challenging period we will review and re-set our way of working, continuing to digitise our services to ensure that we become further accessible to those at home, or not able to make it to the Gallery. We have the technology needed to allow remote working for staff, and will continue to take advantage of government support schemes e.g. business rate relief via Birmingham City Council. Due to the level of cash reserves and cash balances held, and security of some of our income streams including the new multi-period core grant from Arts Council England (NPO) and external multi-year project grants, we are well placed to continue to operate.

The financial forecasts prepared by the senior leadership team show that the group will be able to operate within the facilities available to it.

On that basis the Trustees have prepared these financial statements on a going concern basis.

2 Income from donations and legacies

| | 2022 £ | 2021 £ |
|-----------------------------------------------|-----------|------------------|
| Arts Council England | 1,028,308 | 1,028,307 |
| Arts Council England (Capital Project) | (16,549) | 103,937 |
| Arts Council England (Cultural Recovery Fund) | 129,473 | - |
| Birmingham City Council | 19,731 | 19,731 |
| Other government grants | 47,283 | 218,734 |
| Trusts and Foundations | 211,934 | 94,224 |
| Other Grants and Income | - | 82,889 |
| Ampersand Crivelli exhibition | 57,692 | - |
| Donations and gifts | 24,743 | 6,086 |
| Patrons | 10,417 | 10,167 |
| | <hr/> | <hr/> |
| | 1,513,032 | 1,564,075 |

Income from donations and legacies was £1,513,032 (2021 - £1,564,075) of which £195,385 (2021 - £281,050) was attributable to restricted and £1,317,647 (2021 - £1,283,025) was attributable to unrestricted funds.

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2022****3 Income from charitable activities**

| | 2022 £ | 2021 £ |
|---------------------------------------------------------------------------------------------------|-----------|-----------|
| Exhibitions | 29,335 | 1,864 |
| Exhibitions – Birmingham Organising Committee 2022 Commonwealth Games funding (and other funders) | 132,330 | - |
| Education | 6,128 | 2,025 |
| | <hr/> | <hr/> |
| | 167,793 | 3,889 |

Income from charitable activities was £167,793 (2021 - £3,889) all of which was attributable to unrestricted funds.

4 Income from other trading activities

| | 2022 £ | 2021 £ |
|----------|-----------|-----------|
| Bookshop | 58,656 | 20,176 |
| Café | 23,118 | 1,378 |
| | <hr/> | <hr/> |
| | 81,774 | 21,554 |

Income from other trading activities was £81,774 (2021 - £21,554) all of which was attributable to unrestricted funds.

5 Income from investments

| | 2022 £ | 2021 £ |
|---------------|-----------|-----------|
| Bank Interest | - | 89 |
| Dividends | 12,978 | 11,303 |
| | <hr/> | <hr/> |
| | 12,978 | 11,392 |

Income from investments was £12,978 (2021 - £11,392) all of which was attributable to unrestricted funds.

6 Other income

| | 2022 £ | 2021 £ |
|--------------|-----------|-----------|
| Gallery Hire | 5,180 | - |
| Other Income | 51,410 | 112,371 |
| | <hr/> | <hr/> |
| | 56,590 | 112,371 |

Other income was £56,590 (2021 - £112,371) all of which was attributable to unrestricted funds.

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2022****7 Analysis of expenditure on charitable activities**

| | Operation of the gallery and exhibitions £ | Education and development £ | Total charitable activities £ | Raising funds £ | Total 2022 £ | Total 2021 £ |
|--------------------------------------------------|--------------------------------------------------------|-----------------------------------|----------------------------------------|--------------------|------------------|------------------|
| Costs directly allocated to activities | | | | | | |
| Artists, materials & other installation costs | 337,083 | 142,772 | 479,855 | 38,365 | 518,220 | 215,094 |
| Marketing & communications | 54,441 | - | 54,441 | - | 54,441 | 50,095 |
| Shop, café and investment manager fees | - | - | - | 59,331 | 59,331 | 16,046 |
| Salaries, pensions and other staffing costs | 404,714 | 130,752 | 535,466 | 99,400 | 634,866 | 526,108 |
| | <u>796,238</u> | <u>273,524</u> | <u>1,069,762</u> | <u>197,096</u> | <u>1,266,858</u> | <u>807,343</u> |
| Salaries, pensions and other staffing costs | 98,379 | 19,408 | 117,787 | 24,162 | 141,949 | 126,017 |
| Operating costs of the gallery | 270,898 | 19,958 | 290,856 | 22,214 | 313,070 | 184,955 |
| Depreciation | 203,526 | 14,995 | 218,521 | 16,689 | 235,210 | 195,368 |
| Governance (Note 8) | 21,055 | 4,153 | 25,208 | 5,172 | 30,380 | 28,745 |
| | <u>593,858</u> | <u>58,514</u> | <u>652,372</u> | <u>68,237</u> | <u>720,609</u> | <u>535,085</u> |
| Total costs 2022 | <u>1,390,096</u> | <u>332,038</u> | <u>1,722,134</u> | <u>265,333</u> | <u>1,987,467</u> | |
| Total costs 2021 | <u>950,809</u> | <u>208,043</u> | <u>1,158,852</u> | <u>183,576</u> | | <u>1,342,428</u> |

£421,041 (2021 - £337,856) of the above costs were attributable to restricted funds. £1,566,426 (2021 - £1,004,572) of the above costs were attributable to unrestricted funds.

8 Governance costs

| | 2022 £ | 2021 £ |
|---------------------------------------------|---------------|---------------|
| Salaries, pensions and other staffing costs | 17,781 | 16,475 |
| Auditor's remuneration (including expenses) | 12,599 | 12,000 |
| | <u>30,380</u> | <u>28,745</u> |

9 Net income for the year

Net income is stated after charging

| | 2022 £ | 2021 £ |
|---------------------------------------|-----------|-----------|
| Depreciation of tangible fixed assets | 235,210 | 195,368 |
| Operating lease rentals | - | 226 |

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2022****10 Trustees' and key management personnel remuneration and expenses**

The trustees neither received nor waived any remuneration during the year (2021: £Nil).

The total amount of employee benefits received by key management personnel is £156,929 (2021 - £153,483). The Charity considers its key management personnel comprise the director and deputy director.

No (2021 – No) trustees are accruing pension arrangements.

The trustees did not have any expenses reimbursed during the year (2021 - £Nil).

11 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

| | 2022 Number | 2022 FTE | 2021 Number | 2021 FTE |
|----------------|----------------|-------------|----------------|-------------|
| Exhibition | 14 | 11 | 13 | 9 |
| Education | 5 | 3 | 4 | 3 |
| Publicity | 5 | 4 | 4 | 4 |
| Administration | 7 | 6 | 7 | 6 |
| | 31 | 24 | 28 | 22 |

The total staff costs and employee benefits was as follows:

| | 2022 £ | 2021 £ |
|------------------------------------|----------------|----------------|
| Wages and salaries | 715,196 | 597,835 |
| Social security | 53,926 | 43,205 |
| Defined contribution pension costs | 25,474 | 23,715 |
| | 794,596 | 664,755 |

11 Staff costs and employee benefits (continued)

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

| | 2022 Number | 2021 Number |
|-------------------|----------------|----------------|
| £80,001 - £90,000 | 1 | 1 |
| | 1 | 1 |

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2022****12 Interest payable and similar charges**

| | 2022 £ | 2021 £ |
|--------------|--------------|--------------|
| Bank charges | 1,549 | 1,614 |
| | <u>1,549</u> | <u>1,614</u> |

13 Tangible fixed assets

| Group and Company | Long Leasehold Land and buildings £ | Computer Equipment £ | Fixtures and Equipment £ | Total £ |
|--------------------------|------------------------------------------------------------|-------------------------------------|-----------------------------------------|--------------------|
| Cost or valuation: | | | | |
| At 1 April 2021 | 5,526,731 | 162,609 | 941,067 | 6,630,407 |
| Additions | - | 78,198 | 98,242 | 176,440 |
| Disposals | - | (26,733) | (39,282) | (66,015) |
| At 31 March 2022 | <u>5,526,731</u> | <u>214,074</u> | <u>1,000,027</u> | <u>6,740,832</u> |
| Depreciation: | | | | |
| At 1 April 2021 | 2,278,708 | 108,313 | 748,759 | 3,135,780 |
| Charge for the year | 120,300 | 32,201 | 82,709 | 235,210 |
| Disposals | - | (26,733) | (39,282) | (66,015) |
| At 31 March 2022 | <u>2,399,008</u> | <u>113,781</u> | <u>792,186</u> | <u>3,304,975</u> |
| Net book value: | | | | |
| At 31 March 2022 | <u>3,127,723</u> | <u>100,293</u> | <u>207,841</u> | <u>3,435,857</u> |
| At 31 March 2021 | <u>3,248,023</u> | <u>54,296</u> | <u>192,308</u> | <u>3,494,627</u> |

The net book value of long leasehold land and buildings includes £181,864 (2021: £188,894) in respect of a café within the gallery.

The remaining net book value relates to assets held for charitable activities.

Included within the above is £1 (2021 - £1) in respect of the long leasehold land and buildings attributable to the group's subsidiary company.

Included within Fixtures and Equipment above are £44,879 (2021 - £Nil) of assets under construction.

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2022****14 Investments**

| | £ Listed investments |
|----------------------------|----------------------------|
| Valuation 1 April 2021 | 575,203 |
| Purchases | 46,958 |
| Disposals | (40,274) |
| Unrealised (loss)/gain | 42,925 |
| Other investment movements | 1,908 |
| Valuation 31 March 2022 | <u>626,720</u> |

The Charity Investments balance also includes £2 of share capital in the Trading Subsidiary, Oozells Trading Limited (Charity Investment balance £626,722 (2021: £575,205)).

Investments are comprised of the following:

| | 2022 £ | 2021 £ |
|-------------------------|----------------|----------------|
| Equities | 453,621 | 401,700 |
| Fixed interest | 73,195 | 87,216 |
| Alternative investments | 91,364 | 79,655 |
| Cash | 8,540 | 6,632 |
| | <u>626,720</u> | <u>575,203</u> |
| | £ | £ |
| Cost 31 March 2021 | <u>478,938</u> | <u>471,695</u> |

Individual holdings at 31 March 2022 in excess of 5% of the portfolio value include: London Stock Exchange £35,847 (2021: £26,025), Findlay Park Funds PLC £53,454 (2021: £46,627) and HSBC ETFS £70,440 (2021: £58,294).

Financial Activities of the Trading Subsidiary

The financial activities shown in the consolidated statement of financial activities includes those of the charity's wholly owned subsidiary, Oozells Trading Limited (Registered Company Number 3095021). A summary of the financial activities undertaken by the subsidiary is set out below:

| | 2022 £ | 2021 £ |
|-----------------------------------|-----------|-----------|
| Turnover | 13,268 | 4,674 |
| Administrative expenses | (13,268) | (1,959) |
| Operating profit | - | 2,715 |
| Interest receivable | - | - |
| Profit for the year | - | 2,715 |
| Gift Aid | - | (2,715) |
| Retained profit by the subsidiary | <u>-</u> | <u>-</u> |

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2022****15 Debtors**

| | Group 2022 £ | Group 2021 £ | Company 2022 £ | Company 2021 £ |
|------------------------------------|--------------------|-----------------------|----------------------|-----------------------|
| Trade debtors | 8,966 | 9,503 | 7,349 | 9,503 |
| Amounts owed by group undertakings | - | - | 4,176 | 6,891 |
| Other debtors | 5,366 | 1,175 | 5,366 | 1,175 |
| Prepayments and accrued income | 253,149 | 241,654 | 253,149 | 241,654 |
| Other tax and social security | 36,192 | 7,893 | 36,192 | 7,893 |
| | <u>303,673</u> | <u>260,225</u> | <u>306,232</u> | <u>267,116</u> |

16 Creditors: amounts falling due within one year

| | Group 2022 £ | Group 2021 £ | Company 2022 £ | Company 2021 £ |
|-------------------------------|--------------------|-----------------------|----------------------|-----------------------|
| Trade creditors | 176,511 | 13,052 | 176,511 | 13,052 |
| Other tax and social security | 23,356 | 20,276 | 21,908 | 20,276 |
| Accruals and deferred income | 298,882 | 266,477 | 297,432 | 265,027 |
| | <u>498,749</u> | <u>299,805</u> | <u>495,851</u> | <u>298,355</u> |

Included within other tax and social security are £8,801 (2021 – £7,653) of outstanding defined contribution pension contributions.

17 Deferred income**Group and Company**

| | Under 1 year £ | Over 1 year £ | Total £ |
|----------------------------|----------------------|---------------------|-----------------------|
| At 1 April 2021 | 242,195 | - | 242,195 |
| Additions during the year | 124,432 | - | 124,432 |
| Amounts released to income | (140,855) | - | (140,855) |
| At 31 March 2022 | <u>225,772</u> | <u>-</u> | <u>225,772</u> |

Income has been deferred as it relates to funds received for projects and exhibitions occurring in forthcoming financial years.

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2022****18 Fund reconciliation****Group and Company - 2022****Unrestricted funds**

| | Balance at 1 April 2021 | Income | Expenditure | Transfers | Gains / (losses) | Balance at 31 March 2022 |
|--------------|-------------------------------|-----------|-------------|-----------|---------------------|-----------------------------------|
| | £ | £ | £ | £ | £ | £ |
| General | 639,764 | 1,623,804 | (1,562,041) | 87,312 | - | 788,839 |
| Reserve | 50,000 | - | - | - | - | 50,000 |
| Ikon 50 Fund | 500,000 | 12,978 | (4,385) | (51,518) | 42,925 | 500,000 |
| | 1,189,764 | 1,636,782 | (1,566,426) | 35,794 | 42,925 | 1,338,839 |

Restricted funds

| | Balance at 1 April 2021 | Income | Expenditure | Transfers | Gains / (losses) | Balance at 31 March 2022 |
|----------------------|-------------------------------|----------|-------------|-----------|---------------------|--------------------------------|
| | £ | £ | £ | £ | £ | £ |
| Development Fund | 3,251,715 | - | (120,300) | - | - | 3,131,415 |
| Restricted Grants | 20,913 | 211,934 | (207,577) | (25,270) | - | - |
| ACE Capital Grant | 336,198 | (16,549) | (93,164) | (10,524) | - | 215,961 |
| | 3,608,826 | 195,385 | (421,041) | (35,794) | - | 3,347,376 |

In the year a transfer of £25,270 was made from restricted grants to general funds, representing the element of grant funding Ikon could attribute to general overheads. A further transfer of £10,524 was made from restricted grants to general funds, representing the utilisation of grant funding on capital costs met from unrestricted funds. Surplus gains on the Group's investments have been transferred from the Ikon 50 Fund to general funds.

Group and Company - 2021**Unrestricted funds**

| | Balance at 1 April 2020 | Income | Expenditure | Transfers | Gains / (losses) | Balance at 31 March 2021 |
|--------------|-------------------------------|-----------|-------------|-----------|---------------------|-----------------------------------|
| | £ | £ | £ | £ | £ | £ |
| General | 107,591 | 1,420,928 | (1,000,746) | 111,991 | - | 639,764 |
| Reserve | 40,000 | - | - | 10,000 | - | 50,000 |
| Ikon 50 Fund | 500,000 | 11,303 | (3,826) | (103,080) | 95,603 | 500,000 |
| | 647,591 | 1,432,231 | (1,004,572) | 18,911 | 95,603 | 1,189,764 |

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2022****18 Fund reconciliation (continued)****Group and Company – 2021 (continued)****Restricted funds**

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers £ | Gains / (losses) £ | Balance at 31 March 2021 £ |
|-------------------|------------------------------------|-------------|------------------|----------------|--------------------------|-------------------------------------|
| Development Fund | 3,372,015 | - | (120,300) | - | - | 3,251,715 |
| Restricted Grants | 9,191 | 177,113 | (146,480) | (18,911) | - | 20,913 |
| ACE Capital Grant | 303,337 | 103,937 | (71,076) | - | - | 336,198 |
| | 3,684,543 | 281,050 | (337,856) | (18,911) | - | 3,608,826 |

Fund descriptions**a) Unrestricted funds****General**

Funds used for the pursuit of the charitable company's principal activities.

Reserve

Funds set aside to cover future eventualities.

Ikon 50 Fund

The charity held a charity art auction at Sotheby's, London on 2 July 2016 as part of its 50th anniversary year celebrations. Various artists who had exhibited at Ikon in the past donated a work of their own art to Ikon for sale at the auction. The net sale proceeds from the auction amounted to £500,000. Ikon has designated the proceeds as an unrestricted fund known as the "Ikon50 Fund". Unless altered in the future by the trustees, the purpose of the fund is to provide financial support to an agreed level of funding each year, wherever possible, for an exhibition at Ikon of works by a developing, young or less well-known artist or artists, or for some equivalent form of project or activity.

The withdrawal of funds must be approved by a majority of the Board of Trustees. It cannot be solely an Executive decision.

b) Restricted funds

Development Fund – this fund was set up as a restricted fund using grants received from the National Lottery Fund, European Regional Development Fund, Foundation for Sports and the Arts, Argent plc, and other donations for the purpose of refurbishing Oozells Street School as a site for Ikon Gallery. This fund is being charged with depreciation at the same rate as the expected useful life of the fixed assets relating to the development.

Restricted grants – this is grant income received during the year relating to specific exhibitions or projects and the funds expended on these activities.

ACE Capital Grant – this is grant funding provided by Arts Council England to fund capital investment in the Gallery. The fund is represented by £215,961 (2021: £209,732) of fixed assets at net book value and £Nil (2021: £126,826) of unspent income.

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2022****19 Analysis of net assets between funds - 2022**

| | Unrestricted funds £ | Restricted funds £ | Total £ |
|------------------------------------|----------------------------|-----------------------|------------------|
| Fixed assets | 88,481 | 3,347,376 | 3,435,857 |
| Investments | 626,720 | - | 626,720 |
| Cash | 638,076 | 112,918 | 750,994 |
| Other current assets / liabilities | (14,438) | (112,918) | (127,356) |
| Total | 1,338,839 | 3,347,376 | 4,686,215 |

Analysis of net assets between funds - 2021

| | Unrestricted funds £ | Restricted funds £ | Total £ |
|------------------------------------|----------------------------|-----------------------|------------------|
| Fixed assets | 12,627 | 3,482,000 | 3,494,627 |
| Investments | 575,203 | - | 575,203 |
| Cash | 466,594 | 261,761 | 728,355 |
| Other current assets / liabilities | 135,340 | (134,935) | 405 |
| Total | 1,189,764 | 3,608,826 | 4,798,590 |

20 Reconciliation of net income to net cash flow from operating activities

| | 2022 £ | 2021 £ |
|------------------------------------------------------|----------------|-----------------------|
| Net (expenditure)/income/for year | (112,375) | 466,456 |
| Interest receivable | - | (89) |
| Dividends receivable | (12,978) | (11,303) |
| Depreciation and impairment of tangible fixed assets | 235,210 | 195,368 |
| (Increase)/decrease in stock | (27,735) | 13,591 |
| (Increase) / decrease in debtors | (43,448) | 40,236 |
| Increase in value of investment | (44,803) | (39,144) |
| Increase in creditors | 198,944 | 57,144 |
| Net cash inflow from operating activities | <u>192,815</u> | <u>722,259</u> |

Analysis of changes in net cash

| | At start of year £ | Cashflows £ | At end of year £ |
|------|-----------------------|----------------|---------------------|
| Cash | <u>728,355</u> | <u>22,639</u> | <u>750,994</u> |

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2022****21 Pensions and other post-retirement benefits**

a) Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £25,474 (2021 - £23,715).

The defined contribution liability is allocated to unrestricted funds and split across the various activities in accordance with the respective staff allocations.

22 Lease commitments

As at 31 March 2022 the company had future commitments under non-cancellable operating leases as follows:

| Expiry date | 2022 £ | 2021 £ |
|--------------------|-------------------|-------------------|
| Within 1 year | 1,658 | - |
| 2 – 5 years | 3,315 | - |

23 Financial commitments

There were no (2021 - £nil) commitments for the acquisition of tangible fixed assets contracted for but not provided in the financial statements.

24 Contingent Assets

At 31 March 2022 the charity had been notified of grant offers totalling up to £Nil (2021: £288,782) which have not been recognised in the accounts, as the charity does not have unconditional entitlement to the funds.

25 Related party transactions

At 31 March 2022 the charity was owed £4,176 (2021: £6,891) from its subsidiary Oozells Trading Limited. The movement represents net cash movements in the year.