

IKON GALLERY LIMITED

Financial Statements

Year ended 31 March 2023

Charity registration number: 528892
Company registration number: 00902136

Ikon Gallery Limited

Financial Statements

Year Ended 31 March 2023

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Ikon Gallery Limited**Charity Reference and Administrative Details****Year Ended 31 March 2023**

Charity registration number	528892
Company registration number	00902136
Registered office	1 Oozells Square Brindley Place Birmingham B1 2HS
Auditor	Cooper Parry Group Limited 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 4 th Floor, 103 Colmore Row Birmingham B3 3AG
Trustees	Prof H Higson OBE Ms J Loynton (resigned 30 November 2022) Mr J Cloughton Mr N Smith Mr S Kinch (resigned 1 March 2023) 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 W Smyth (appointed 31 October 2022) Clr J Francis (appointed 16 December 2022) Mr S Shambi (appointed 30 June 2023) Mr J Leo (appointed 30 June 2023)
Company Secretary	Ian Hyde
Director of the Gallery	Jonathan Watkins (retired October 2022)
Acting Chief Executive Officer	Ian Hyde (from October 2022)
Acting Artistic Director of Exhibitions	Melanie Pocock (from October 2022)
Acting Artistic Director of Education	Linzi Stauvers (from October 2022)

Ikon Gallery Limited

Trustees' Annual Report

Year Ended 31 March 2023

The Trustees present their report (incorporating the directors' report) and the audited financial statements of the charity for the year ended 31st March 2023. 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 (resigned 30 November 2022)
Mr J Claughton
Mr N Smith
Mr S Kinch (resigned 1 March 2023)
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 W Smyth (appointed 31 October 2022)
Clr J Francis (appointed 16 December 2022)
Mr S Shambi (appointed 30 June 2023)
Mr J Leo (appointed 30 June 2023)

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 two key risks (out of 135), from the areas of Operational Risk and Financial Risk, as follows:

Availability of grant funding: Public funding through ACE NPO has reduced. Action includes monitoring policy changes through funding bodies, ACE, BCC and other sources, applications to Transform Grants (ACE) and others where available. 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.

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.

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OBJECTIVES AND ACTIVITIES (continued)

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 an educational programme consisting of projects, tours, talks in the gallery and at other locations for a variety of different groups.

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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 normally 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 Education 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 2022/23

2022/23 was an exciting year, getting back to normal operations following the C-19 global pandemic. Visitor numbers increased significantly as we held C-19 delayed historical and contemporary exhibitions and welcomed the Commonwealth Games to Birmingham with a major off-site commission by Hew Locke. Additionally, Jonathan Watkins, Director for 23 years, retired from Ikon in October and we retained Arts Council NPO funding for the next period of April 2023-26.

The following is a summary of Ikon's achievements and performance during 2022/23 with respect to the five key goals identified in our Strategic Plan 2018-23:

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 2022/23 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:

- Britta Marakatt-Labba. *Under the Vast Sky*. 23 February to 29 May 2022
- Carlo Crivelli. *Shadows on the Sky*. 23 February to 29 May 2022
- Audrey Flack. *After Crivelli*. 23 February to 29 May 2022
- Yhonnie Scarce, Salote Tawale and Osman Yousefzada. *Arrivals*. 10 June to 29 August 2022
- Abudlrzaq Awofeso, *Out of Frame*. 10 June to 29 August 2022
- Haffendi Anuar, *Rmah Berkaki (Legged House)*. 10 June to 29 August 2022
- Edward Lear, *Moment to Moment*. 9 September to 13 November 2022
- Mayunkiki, *Siknure – Let Me Live*. 9 September to 13 November 2022
- Farwa Moledina, *Women of Paradise*. 9 September to 13 November 2022
- *Horror in The Modernist Block*. 25 November 2022 to 1 May 2023
- Foka Wolf. *Why Are We Stuck in Hospital?* 7 March 2023 to 19 March 2023

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Commissions

Ikon produces as well as promotes contemporary art. During 2022/23 we commissioned 20 new works throughout the year including *The Near Breeder* by Yhonnice Scarce which comprised approximately 600 individually hand-blown glass shapes, and Salote Tawale's *YOU, ME, ME, YOU* digital production. Both artists from Australia, these commissions part of *Arrivals*, a season of exhibitions organised to coincide with The Commonwealth Games.

Abdulrazaq Awofeso's exhibition *Out of Frame* featured all new work made from discarded wooden pallets. Used for the transportation of goods around the world, the artist's material refers to his own frequent journeys through Africa and Europe, having recently arrived in Birmingham from Lagos.

Five artworks in *Horror in the Modernist Block* were commissions made in response to the exhibition theme. These are NT's film *BRUTAL* (2022) shot at night in inner city housing estates in Birmingham; Richard Hughes' suspended mobile, *Lithobolia Happy Meal* (2022); Ismael Monticelli's wall installation *Spaghetti Junction* (2022); Ruth Claxton's Tower Room installation, *Here I am, waiting* (2014-22) and *How to live in a city* (2022) by Simon and Tom Bloor, a series of sculptures which double as seating.

Collaborations

During 2022/23 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 the Museum of Contemporary Art Australia in Sydney for *Made in Birmingham/Made in Sydney* for Tawale's and Yousefzade's digital work. Both Tawale and Scarce formed part of the UK/Australia Season 2021-22.

Ikon worked in partnership with the University of Birmingham's School of Social Policy and with rights -based organisation Changing Our Lives to commission Foka Wolf's *Why Are We Stuck in Hospital?* installation at Ikon, at The Exchange and on billboards throughout the city to raise awareness of the 2,000 people with learning disabilities and / or autistic people who live in hospital settings for long periods of time with no planned date to leave.

Publishing

Four exhibition publications produced by Ikon during 2022/23:

- Abdulrazaq Awofeso. *Out of Frame*
- *Edward Lear. Moment to Moment*
- *Mayunkiki. Siknure – Let Me Live*
- *Horror in the Modernist Block*

One off-site project publication produced by Ikon during 2022/23:

- Dean Kelland. *Notes from Grendon*

In addition to two publications produced, just in 2021/22 for exhibitions continuing in 2022/23:

- 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 2022/23 we used both Audience Finder and 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.

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

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 less of a mix of digital and gallery-based delivery for events, schools, families and more towards face to face as communities returned to Ikon and we continued to build back our audience engagement.

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.

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, The Exchange and other departments within The University of Birmingham, STEAMhouse 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 returned with our second year of three of Slow Boat, our canal-based project funded by Freelands Foundation. 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 2022/23 included a number of exhibitions that were cross-artform and thus especially conducive to audience development e.g. Horror in the Modernist Block and the film zone created on our first-floor gallery spaces, projected in a timed sequence, four video installations played with the anticipation of horror films leading viewers around the darkened space).

Ikon's fourth Migrant Festival took place over four days in July including 18 events with 588 attendees. Hew Locke was in conversation with Dr Gus Casely-Hayford, Director of V&A East at Birmingham Cathedral. Nigerian artist Abdulrazaq Awofeso discussed his exhibition, Out of Frame with the curator Dr Jareh Das. Birmingham artists Faisal Hussain and Osman Yousefzada contributed towards the Balsall Heath Film Festival organised by Flatpack at Moseley School of Art. The Festival closed with quick fire soapbox presentations chaired by Salman Mirza.

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.

Hew Locke: *Foreign Exchange*. *Foreign Exchange* was literally a redressing of Birmingham's city centre sculpture of Queen Victoria by acclaimed Guyanese British artist Hew Locke. Locke's vision was to create 'an object of veneration, leading a battalion of other statues to represent the home nation through the Empire'. His interest in the power of statues originates from his childhood in Guyana where he passed a sculpture of Queen Victoria every day on his way to school. He has been reimagining historic statues for twenty years. This was Locke's first temporary public sculpture and was presented by Birmingham 2022 Festival, commissioned by Ikon.

HMP Grendon. Ikon continued to work with residents of HMP Grendon, Buckinghamshire. Dean Kelland entered his final year in residence. The Marie-Louise von Motesiczky studio opened to prison communities, staff and stakeholders on 10 August. Providing an office for the artist and producer, the studio hosts twice-weekly workshops and quarterly exhibitions. Workshops have taken place with all four wings of HMP Grendon and multiple artists have attended to deliver workshops including DASH associate artist Aidan Moesby and Oxford University's Prof Matthew Bevis.

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Off Site and Touring (continued)

Slow Boat. Our second 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. This took place across Birmingham just prior to the Commonwealth Games, celebrating our Arrivals season and *Foreign Exchange*, in particular.

Judy Watson and Yhonnie Scarce: *Looking Glass.* An exhibition organised in collaboration with TarraWarra Museum, toured to Queensland University of Technology Art Museum, Plimsol Gallery (TAS) and Latrobe Regional Art Gallery. It will continue touring in Australia until October 2023.

Mit Jai Inn *Dreamday.* An exhibition based on *Dreamworld* (Ikon 2021) organised in collaboration with MAIAM Contemporary Art Museum opened at the Jim Thompson Art Center Bangkok. *Dreamworld* will continue touring until March 2024.

Yhonnie Scarce, *Shadow Creeper (2022).* Palais De Tokyo, Paris, April to September 2022. Scarce's work was part of group exhibition Reclaim The Earth, bringing together fourteen artists who seek to develop new connections with nature, the living world and the environment.

Ragnar Kjartansson, *The Sky in a Room*, a collaboration with Artes Mundi (Cardiff), involved musicians taking turns to perform an ethereal arrangement of 'Il Cielo in una Stanza' uninterruptedly for 5 hours per day. The performance ran for 9 days.

George Shaw and Thomas Bewick *Home is Unspent*; 15 July – 28 October 2022. *Home is Unspent* showcased new works by Shaw alongside works by 19th century artist Bewick at National Trust property Cheryburn, former home of Bewick.

Vanley Burke, *A Gift to Birmingham*; An exhibition of portraits taken by Vanley Burke of members of Migrant Voice. The exhibition was shown at Ikon, Brustrokes, Saathi House and Handsworth Library between March 2022 – February 2023.

Foka Wolf, *Why Are We Stuck In Hospital?* was produced by Ikon and featured an exhibition and accompanying inner-city billboards in Birmingham. Commissioned by the University of Birmingham the exhibition took place in March 2023 and has over 3,300 visitors to the gallery.

Education

During 2022/23 Ikon engaged with a number of organisations to create and showcase works representing a diverse range of topics in varying artforms. As part of We are Invisible, We are Visible (WAIWAV), Artist Aaron Williamson performed *Hiding in 3D* which was one of 31 Dada-inspired interventions by D/deaf, disabled and neurodivergent artists in museums and galleries across the Plus Tate network. The project was curated by DASH and awarded the 2021 Ampersand Prize. *Lusitano Remixed* was a second onsite immersive music installation produced in collaboration with leading vocal ensemble The Marian Consort and composer Roderick Williams.

During the Spring exhibition for Carlo Crivelli, Ikon hosted a number of public programme events and talks. Former Director Jonathan Watkins and visiting Co-curator Amanda Hilliam of the Carlo Crivelli exhibition took part in a live-streamed conference discussing Carlo Crivelli's "radical illusionism" with Caroline Campbell, Director of Exhibitions and Research, at the National Gallery. Ikon then hosted a further symposium for Carlo Crivelli alongside a series of three public talks with painters from Birmingham presenting their perspectives on Crivelli's work, and a lute music performance within the exhibition space.

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Education (continued)

As part of the summer exhibition for *Arrivals* Ikon produced a two-part panel discussion in partnership with the MCA, Sydney, entitled *The Role of the Artist in Public Life* and funded by the British Council.

Artist Monica Perez Vega led workshops for year 4, 7 & 8 students, led two teacher CPD sessions and produced activity packs as part of the Birmingham 2022 Festival and Hew Locke's *Foreign Exchange*. Students from Small Heath Leadership Academy attended the launch event for *Foreign Exchange*. Their artworks, in response to Locke's project, were showcased alongside work by Creative Connections Schools consortium at Ikon in late July.

Ikon worked with local Artist Vanley Burke to produce *A Gift to Birmingham* – the project commissioned as part of the 'Non-formal Intercommunal Education in Birmingham (NICE-B)' project, through the University of Birmingham. *A Gift to Birmingham* was displayed at various locations and featured seventeen portraits of members of Migrant Voice, a migrant-led national organisation with a hub in Birmingham. The exhibition was shown at Ikon Gallery (23 March – 3 April 2022), Brushstrokes (20 – 24 June 2022), Saathi House (15 – 24 July 2022) and Handsworth Library (16 Dec 2022 – 31 March 2023). Artist Educator, Haseebah Ali worked with the School of Education, University of Birmingham, to create digital resources inspired by *A Gift to Birmingham* to break down intercommunal barriers within formal/ informal settings.

The autumn exhibition of works by Edward Lear was accompanied by a symposium, *Edward Lear in the Round*, uncovering key themes from the exhibition with supporting papers by literary and art historians. In response to the Lear exhibition and as part of SHOUT Festival artist John Yeadon showcased a selection of old and new works during an exhibition at Ikon. This was accompanied by an artist talk considering Victorian attitudes towards homosexuality experienced by Lear. DASH associate artist Aidan Moesby also engaged with Lear through a gallery talk relating the exhibition to emotion and climate catastrophe.

Eiko Soga, Artist and Researcher at The Ruskin School of Art, and Marenka Thompson-Odlum, Research Associate at Pitt Rivers Museum, participated in the panel discussion *Towards a Liveable World: Learning from Ainu Culture* in partnership with the Japan Foundation in response to the Mayunkiki exhibition. Birmingham-based artist Farwa Moledina discussed her new work, *Women of Paradise (2022)* with art and design historian Dr Sabrina Rahman.

Horror in the Modernist Block involved a number of public programme events including exhibition tours by the Curator, *Le Corbusier's Dream of Machines*, a re-scoring of artist NT's film *BRUTAL* by artist Leon Trimble and a walking tour by Andy Howlett, founder of Walkspace, around Five Ways on the edge of Birmingham city centre. Linzi Stauvers, Acting Artistic Director, Education, chaired a panel discussion with the Brutiful Birmingham Action Group and designer Sharonjit Sutton.

Depth and quality of learning

Ikon facilitated free monthly Family Saturday workshops run by local artists and makers Haseebah Ali, Polly Brant, Leah Hickey throughout the year. Families were also invited to have their photograph taken by renowned photographer Vanley Burke, in the exhibition *A Gift to Birmingham*.

Two adult focussed workshops inspired by Britta Marakatt-Labba were led by textile artist Maria Wigley. Ikon also worked with HMP Grendon's psychodramatist Mike Chase to facilitate a public workshop focusing on the "neutral mask", a device used in UK prisons. The workshop was attended by a mixture of practitioners working in youth offending, therapists and researchers.

During July Ikon's fourth Migrant Festival took place. The festival took place over four days, included 18 events with 588 attendees. Artist Hew Locke was in conversation with Dr Gus Casely-Hayford, Director of V&A East. Nigerian artist Abdulrazaq Awofeso discussed his exhibition, *Out of Frame* with the curator Dr

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Education (continued)

Jareh Das. Birmingham artists Faisal Hussain and Osman Yousefzada contributed towards the Balsall Heath Film Festival organised by Flatpack at Moseley School of Art. The festival closed with quick-fire soapbox presentations chaired by Salman Mirza who wrote about the event on the Migrant Voice blog.

A series of workshops, aimed at families with pre-school children, were led by Haseebah Ali exploring what it means to start school, and how it feels to arrive in a new place. Workshops were organised in partnership with the University of Cambridge, University of Birmingham and Kettle's Yard (Cambridge), part of the Economic and Social Research Council (ESRC) funded *Ready or Not study*, which aims to explore children's development in Reception and Year 1.

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. Ikon hosted multiple Education led showcases in 2022/23 including working with Coventry University to develop and exhibit works by University students in February in our smaller exhibition spaces. For many of students involved this was their first showcase of work outside of a university setting and Ikon helped to support them in their development as artists and self-employed practitioners.

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 provides a space for young people to develop and share interests in visual art. Weekly in person meetings with invited artists took place throughout the year. IYP worked with artist Yhonnie Scarce and supporting practitioners in response to her summer exhibition, medal making workshops at Birmingham School of Art, a series of workshops at Modern Clay with Centrala's Young People and they worked with artist Farwa Moledina to create works inspired by her work *Women in Paradise*.

IYP hosted its first Slow Boat Review, chaired by artist and writer Cathy Wade and with presentations by alumni – Sean Burns, Assistant Editor of Frieze, and Laura O'Leary, Assistant Curator of the Turner Prize 2021. IYP members are preparing for the Year 2 review.

Visitors

Attendances during 2022/23, as follows:

Exhibitions (in person at Ikon)	272,000
International off site and touring	134,000
UK off site and touring	367,000
<i>Foreign Exchange</i> ; Hew Locke, Victoria Square, Commonwealth Games	25.1m
Online digital events	41,000
Education digital engagement	31,000

Marketing & Digital

Ikon's new website, made possible with support from the Cultural Recovery Fund, launched on 8 April 2022. Since opening the new exhibitions, unique website visits increased by approx. 35% in the first month to typically approximately 33k. The development of the website also included a WordPress plug-in to automatically sync shop products to exhibition pages on the main site. Two digital LCD screen totem signs were installed in Ikon's external areas in April also. Development of the website continued with further updates taking place in February 2023.

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Marketing & Digital (continued)

A large number of exhibition related films were created in house during the 2022/23 year to introduce and document exhibitions and artist interviews that accompany the shows. Films include Hew Locke, *Foreign Exchange* artist interview, *A sky in a Room* documentation, exhibition introduction for Edward Lear, *Moment to Moment* and a trailer for *Horror in the Modernist Block* amongst others.

A new role for Social Media Coordinator was created in November 2022 and with that we increased our production of content for social media including reels and digital spotlight tours, Christmas gift ideas guides and coverage on Tiktok.

Ikon hosted a digital and in-person symposium *Edward Lear in the Round* which was streamed live from the gallery's YouTube account in November and at the end of 2022 Ikon published an Annual Review, pulling together highlights from across our Exhibitions and Education Programmes; Press coverage; and developments in the Ikon team.

Press and PR

During 2022/23 Ikon received great press coverage from both local, national and international organisations. *Shadows on the Sky* received extensive press interest with the exhibition being positively covered by leading news outlets including The Sunday Times Culture, Financial Times, the Guardian and The Spectator. Britta Marakatt Labba received regional coverage in Craft Magazine and the Embroidery Magazine.

Ikon's summer exhibition *Arrivals* received vast coverage including coverage in Art Quarterly, Studio International and local coverage in I choose Birmingham. Autumn shows by Edward Lear, Mayunkiki and local Artist Farwa Moledina gained extensive coverage over a number of news outlets including The Daily Telegraph, The Times, The Observer, Apollo, The arts newspaper, Art Review Asia, Asian Art Newspaper, Museums Journal, Guardian Saturday Magazine and Podcast coverage for Moledina.

Ikon's offsite project A Gift to Birmingham received local coverage on BBC Midlands Today and the Birmingham Mail and Foka Wolf was covered by Birmingham Living, BBC online and Grapevine Birmingham. Vanley burke – Blk Art Map, What's On Birmingham, Black and White Photography magazine

During the Commonwealth Games Ikon received coverage globally via TV networks, and specifically on BBC Midlands Today documenting participation in the Queen's Baton Relay race which featured Ikon's Slowboat. In the same period Ikon was featured in the Guardian for Hew Locke's *Foreign Exchange* with over 317m readers.

The winter exhibition *Horror in the Modernist Block* brought new audiences featuring in the RIBA Journal, the Telegraph, Apollo, and locally with the Birmingham Review amongst others.

Collaborative Marketing

During 2022/23 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 national and international galleries and organisations with touring exhibitions. Touring exhibitions by Mit Jain Inn was exhibited in Thailand and Thomas Bewick in the UK.

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

During 2022/23 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. Ian Hyde met with other Directors/CEO/ED's to discuss shared challenges and solutions. These conversations continue with a supportive network of other arts based organisation and institutions sharing ideas with each other to look into the future.

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

Ikon continues to form part of Contemporary Visual Arts Network, and is part of the Bank of England's Decision Maker Panel.

Ikon continued to work and engage with BIDs, Birmingham City Council Tourism and West Midlands Growth Company to increase visitor numbers to the city throughout the year. In the run up to the Commonwealth Games, Ikon worked alongside the games organisers to cross promote events and exhibitions that were taking place in the city including the Ikon commission of work by Hew Locke.

Emerging and Local Artists

During 2022/23 Ikon continued to support local and emerging artists through Educational, off-site and core programming events. We worked with a number of local Artists Educators who supported the delivery of our family Saturday programmes and offsite workshops including Haseebah Ali and Sarah Hamilton Baker.

Local Artist, Farwa Moledina exhibited her work *Women in Paradise* as part of Ikon's main autumn exhibitions and also created a number of limited editions that were available alongside the exhibition. Local artist Foka Wolf presented *Why Am I Stuck In Hospital?* in response to the issues with the health and social care systems. He created a limited-edition artwork alongside the exhibition with 20% of the profits being donated to local charity Changing our Lives.

4. Greater financial sustainability

Revenue Funding

Arts Council England

£1,028,307 revenue funding was received for 2022/23.

Birmingham City Council

£19,731 revenue funding received for 2022/23.

Resilience and Fundraising

Ikon increased fund-raising efforts in 2022/23 with successful applications to trusts and foundations including Swedish Embassy, AHRC for Edward Lear, Australian High Commission for *Arrivals*. For Mayunkiki we were successful in applications to The Japan Foundation, Daiwa Foundation and Sasakawa for the autumn show plus generous individual donations towards the *Horror in the Modernist Block* exhibition amongst others.

Locally we received BCC funding for Omicron Covid Grant, Birmingham 2022 Festival for Ikon Educational programme and work in support of the Commonwealth Games and University of Birmingham and Changing Our Lives towards the Foka Wolf exhibition at Ikon.

In late 2022 we were successful in our application to the Arts Council England's Transform One Fund and a secondary application to Transform Two was submitted.

In 2022/23 we increased our patrons list and worked to increase engagement further by creating monthly newsletters and arranging visits to off-site projects and exhibitions. We continue to review and develop our patrons offer and engagement with corporate clients.

The team have been looking ahead to 2024 and the 60th anniversary and devising a plan for fundraising opportunities. The 50th Anniversary Investment Fund continues to fluctuate with world occurrences and is indicated within the accounts.

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5. Sustained organisational integrity, alongside possibilities for change

Managerial Practice

In October 2022 Ikon had a change in management structure following the Director, Jonathan Watkins stepping down from the role and leaving the organisation after 23 years. The Board of Trustees undertook an initial recruitment process which was unable to recruit to the role, after which was decided that there would be a change to the structure of the leadership team at Ikon. The Board of Trustees wanted to use the opportunity to look at new management roles and proposed and implemented a new structure on an interim basis. Ian Hyde, previously Chief Operating Officer became Acting Chief Executive Officer, Melanie Pocock, previously Curator became Acting Artistic Director Exhibitions and Dr Linzi Stauvers, previously Head of Education became Acting Artistic Director, Education. The team are supported by the wider staff team during this period of change and the Board are extremely pleased with how the whole team have adapted to the positive change.

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 2022/23 Ikon continued to be involved 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.

All staff continue to attend regular Equality Diversity and Inclusion meetings throughout the year and working towards including EDI in all areas of our work. During 2022/23 work towards developing an updated EDI plan was started with the view that this will be implemented in 2023/24.

Personnel

During 2022/23, DBS checks were made on new employees and renewed for existing employees as required.

During the 2022/23-year Ikon created a new role of Social Media Coordinator to support the development of Ikon's social media coverage.

New acting leadership structure was introduced in October following the stepping down of the Director after 23 years.

Ikon as an Entry Level Employer

During 2022/23 Ikon offered two work experience positions for students with the University of Birmingham which were paid opportunities funded by the university. There were also a small number of work experience placements that took place with departments.

Training

Ikon continued to invest in staff training and professional development.

Ikon's Head of Operations attended online Carbon Literacy Training provided by Museum Development North West through the Plus Tate network. The training will directly influence the development of Ikon's Green Team and policies that will influence all work that Ikon will undertake moving forwards.

Kerry Hawkes (Education and Cultural Partnerships Manager) continued to study for their Senior Leadership Master's Degree Apprenticeship SLMDA (Arts and Culture) at Wolverhampton Business School which is due to be completed in July 2023.

Ikon Gallery Limited**Trustees' Annual Report****Year Ended 31 March 2023****Personnel (continued)**

Ikon worked with the University of Coventry to develop an Art Technician Bootcamp which took place in February 2023. Ikon's Facilities team welcomed four of the twenty learners from Art Technician Bootcamp offering placements to broaden learners' workplace experience and provide networking opportunities. The programme included technical tours; artefact packing practice; insight from Ikon's Programming team; theoretical explorations of how to safely install, deinstall and maintain existing displays; observation of exhibition planning meetings; self-led research and technician interview tips.

Building Maintenance

Ikon made applications to Arts Council England's Transform Funds in late 2022 and early 2023. Funding will help towards a small amount of retail-based capital improvements and future planning for Ikon.

During the 2022/23 year some Covid modifications that had been introduced to the building were slowly removed from the Gallery after consideration.

Energy consumption and capital works

In April, as part of our Capital Works Programme 2, largely funded by ACE, two digital LCD screen totem signs were installed either side of the terrace, replacing existing static totems in place since 2007.

During the summer Ikon's team looked to review energy prices ahead of price increases that were estimated at 300% increases on existing costs. During the year we had increased energy consumption due to exhibitions requiring climate control measures.

Two exhibitions during the 2022/23, year Crivelli and Lear, required climate controls to be on for the duration of the exhibitions. Managing the systems for the duration of the exhibitions increased costs for building management to ensure that the works were kept under climate control conditions.

From February 2023 Ikon made the decision to close the building entirely on Monday and Tuesdays each week as a cost saving measure. The impact on energy has been closely monitored during this period to understand the impact of the closure on building expenditure.

FINANCIAL REVIEW

The group deficit for the year totalled £186,761 (2022: £112,375). Of this, a £58,341 deficit (2022: a surplus of £149,075) was produced by unrestricted funds with restricted funds decreasing by £128,420 (2022: decreasing by £261,450).

Oozells Trading Limited's activities during the year were that of the leasing of the trading areas as a café. A net loss of £3,934 (2022: Nil) was achieved. As a result no amounts are payable to the holding company as a charitable donation made under Gift Aid (2022: Nil).

Additions to the group tangible fixed assets total £23,791.

The total net book value of group tangible fixed assets is now £3,202,628 (2022: £3,435,857) investments total £603,812 (2022: £626,720), net current assets total £693,014 (2022: £623,638) and creditors falling due after one year £nil, resulting in total group net assets of £4,499,454 (2022: £4,686,215).

Total group funds at 31 March 2023 of £4,499,454 (2022: £4,686,215) were comprised of £1,280,498 (2022: £1,338,839) unrestricted reserves and £3,218,956 (2022: £3,347,376) restricted funds.

Ikon Gallery Limited

Trustees' Annual Report

Year Ended 31 March 2023

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 2023 of £619,399.

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 maintain the reserves around the targeted level. This year's results were supported by the temporary increase in the Exhibition Tax Relief.

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 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.

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 2023/24 and Art in HMP Grendon has been extended for an additional three-year period. We look forward to working offsite alongside partners in prominent safe locations throughout the city and beyond. Internationally, our work will continue to be shown especially through partnerships in Australia, France and Thailand.

Fundraising and Development

We are making a concerted effort to increase funding from non-core sources. Commercial artist 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 refreshing our physical shop as well as 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.

Ikon Gallery Limited

Trustees' Annual Report

Year Ended 31 March 2023

Staff

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. We're likely to recruit further staff to be able to deliver the above fundraising and development ambitions.

Ian Hyde, Acting Chief Executive Officer, is working alongside Acting Artistic Director of Exhibitions, Melanie Pocock, and Acting Artistic Director of Education, Linzi Stauvers during a period of change to allow the Board of Trustees time to recruit to a leadership model for the future.

The charity does not make use of volunteers.

Audience Development

We will reform our audience development plan within 2023/24 responding to changing city/region demographics from Census data, 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 the impact of the cost of living crisis. We will continue to remain open and free to all to support mental health recovery.

Facilities and Capital

During 2023/24 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.

Going concern

At the date of signing these financial statements, the Trustees have considered the effect of recent challenges in the operating of a charity and wider group. The Trustees do not believe that the challenges will affect the group's ability to continue to operate for the foreseeable future. As with most organisations, the initial impact of C-19 global pandemic, followed by increasing costs in all areas, have impacted how we operate. A reduction in the number of days we are open to the public in addition to increased fundraising and streamlining our internal processes, have alleviated some of the pressures. We continue to take advantage of any support schemes available around power costs and we are pleased to have secured core public funding from both Arts Council England (NPO) and Birmingham City Council for a three-year period. Due to the level of reserves and cash balances held and security of some of our income streams, such as the new multi-period core grant from Arts Council England and external multi-year project grants as well as secured future funding with key partners, we are well placed to continue operating.

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 11 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:

Ikon Gallery Limited

Trustees' Annual Report

Year Ended 31 March 2023

Appointment of trustees (continued)

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, 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.

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 (as arising) 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.

Ikon Gallery Limited

Trustees' Annual Report

Year Ended 31 March 2023

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.

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 20 September 2023

Prof H Higson OBE
Chair

DocuSigned by:

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Ikon Gallery Limited**Independent Auditor's Report to the members and trustees of Ikon Gallery Limited****Year Ended 31 March 2023****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 2023 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 2023, 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 2023

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 2023

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 2023

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", followed by a horizontal line.

Glen Bott FCA

Senior Statutory Auditor for and on behalf of:

Cooper Parry Group Limited

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

Date: 27 October 2023

Ikon Gallery Limited**Group Statement of Financial Activities (incorporating the income and expenditure account)****Year Ended 31 March 2023**

		2023		2022	
	Note	Unrestricted funds £	Restricted funds £	Total £	Total £
Income from:					
Donations and legacies	2	1,251,151	259,727	1,510,878	1,513,032
Charitable activities	3	170,670	-	170,670	167,793
Other trading activities	4	122,430	-	122,430	81,774
Investments	5	17,623	-	17,623	12,978
Other	6	321,343	-	321,343	56,590
Total income		1,883,217	259,727	2,142,944	1,832,167
Expenditure on:					
Raising funds	7	329,849	-	329,849	265,333
Charitable activities	7	1,489,083	477,064	1,966,147	1,722,134
Total expenditure		1,818,932	477,064	2,295,996	1,987,467
Net (losses) / gains on investments	14	(33,709)	-	(33,709)	42,925
Net income / (expenditure)		30,576	(217,337)	(186,761)	(112,375)
Transfers between funds		(88,917)	88,917	-	-
Net movement in funds		(58,341)	(128,420)	(186,761)	(112,375)
Reconciliation of funds:					
Total funds brought forward	18	1,338,839	3,347,376	4,686,215	4,798,590
Total funds carried forward	18	1,280,498	3,218,956	4,499,454	4,686,215

All income and expenditure derive from continuing activities.

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

The Charity has taken advantage of Section 408 of the Companies Act 2006 and has not included a Parent Charity Statement of Financial Activities in these financial statements. The net expenditure dealt with in the financial statements of the parent charity is £182,827 (2022: £112,375).

Ikon Gallery Limited**Balance Sheet****Year Ended 31 March 2023**

	Note	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Tangible assets	13	3,202,628	3,435,857	3,202,627	3,435,856
Investments	14	603,812	626,720	603,814	626,722
		<u>3,806,440</u>	<u>4,062,577</u>	<u>3,806,441</u>	<u>4,062,578</u>
Current assets					
Stocks		62,166	67,720	62,166	67,720
Debtors	15	429,293	303,673	430,628	306,232
Cash at bank and in hand		522,388	750,994	519,034	745,536
		<u>1,013,847</u>	<u>1,122,387</u>	<u>1,011,828</u>	<u>1,119,488</u>
Creditors: amounts falling due within one year	16	<u>(320,833)</u>	<u>(498,749)</u>	<u>(314,881)</u>	<u>(495,851)</u>
Net current assets		<u>693,014</u>	<u>623,638</u>	<u>696,947</u>	<u>623,637</u>
Net assets		<u>4,499,454</u>	<u>4,686,215</u>	<u>4,503,388</u>	<u>4,686,215</u>
Represented by					
Restricted funds	18	3,218,956	3,347,376	3,218,956	3,347,376
Unrestricted funds	18	1,280,498	1,338,839	1,284,432	1,338,839
Total funds		<u>4,499,454</u>	<u>4,686,215</u>	<u>4,503,388</u>	<u>4,686,215</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 20 September 2023.

Signed on behalf of the board of trustees

DocuSigned by:

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 Prof H Higson OBE – Trustee

Company registration number: 00902136

The notes on pages 26 - 40 form part of these financial statements.

Ikon Gallery Limited**Statement of Cash Flows****Year Ended 31 March 2023**

	Note	2023 £	2022 £
Net cash provided by operating activities			
Cash flow (used by) / from operating activities	20	(239,476)	192,815
		<hr/>	<hr/>
Cash flow from investing activities			
Purchase of property, plant and equipment	13	(23,791)	(176,440)
Purchase of investments	14	(61,721)	(46,958)
Investment income received		17,623	12,978
Proceeds from sale of investments	14	78,759	40,244
		<hr/>	<hr/>
Net cash flow from / (used) in investing activities		10,870	(170,176)
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(228,606)	22,639
Cash and cash equivalents at 1 April 2022		750,994	728,355
		<hr/>	<hr/>
Cash and cash equivalents at 31 March 2023		<u>522,388</u>	<u>750,994</u>
 Cash and cash equivalents consists of:			
Cash at bank and in hand		522,388	750,994
		<hr/>	<hr/>
Cash and cash equivalents at 31 March 2023		<u>522,388</u>	<u>750,994</u>

Ikon Gallery Limited

Notes to the Financial Statements

Year Ended 31 March 2023

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 2023.

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 2023

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 2023****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 2023****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 2023****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 secured 2023-26 Investment Programme in relation to the Gallery's core funding from Arts Council England, and do not believe that it will affect 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. 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

	2023 £	2022 £
Arts Council England	1,028,307	1,028,308
Arts Council England (Capital Project)	414	(16,549)
Arts Council England (Cultural Recovery Fund)	-	129,473
Arts Council England (Building Resilience Survey)	7,532	-
Birmingham City Council	19,731	19,731
Other government grants	-	47,283
Trusts and Foundations	299,621	211,934
Other Grants and Income	28,310	-
Ampersand Crivelli exhibition	92,308	57,692
Donations and gifts	25,142	24,743
Patrons	9,513	10,417
	<hr/>	<hr/>
	1,510,878	1,513,032
	<hr/>	<hr/>

Income from donations and legacies was £1,510,878 (2022 - £1,513,032) of which £259,727 (2022 - £195,385) was attributable to restricted and £1,251,151 (2022 - £1,317,647) was attributable to unrestricted funds.

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2023****3 Income from charitable activities**

	2023 £	2022 £
Exhibitions	62,009	29,335
Exhibitions – Birmingham Organising Committee 2022 Commonwealth Games funding (and other funders)	98,709	132,330
Education	9,952	6,128
	<hr/>	<hr/>
	170,670	167,793

Income from charitable activities was £170,670 (2022 - £167,793) all of which was attributable to unrestricted funds.

4 Income from other trading activities

	2023 £	2022 £
Bookshop	94,885	58,656
Café	27,545	23,118
	<hr/>	<hr/>
	122,430	81,774

Income from other trading activities was £122,430 (2022 - £81,774) all of which was attributable to unrestricted funds.

5 Income from investments

	2023 £	2022 £
Bank Interest	2,522	-
Dividends	15,101	12,978
	<hr/>	<hr/>
	17,623	12,978

Income from investments was £17,623 (2022 - £12,978) all of which was attributable to unrestricted funds.

6 Other income

	2023 £	2022 £
Gallery Hire	13,539	5,180
Other Income	307,804	51,410
	<hr/>	<hr/>
	321,343	56,590

Other income was £321,343 (2022 - £56,590) all of which was attributable to unrestricted funds.

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2023****7 Analysis of expenditure on charitable activities**

	Operation of the gallery and exhibitions £	Education and development £	Total charitable activities £	Raising funds £	Total 2023 £	Total 2022 £
Costs directly allocated to activities						
Artists, materials & other installation costs	452,546	181,209	633,755	83,105	716,860	518,220
Marketing & communications	51,203	-	51,203	-	51,203	54,441
Shop, café and investment manager fees	-	-	-	82,739	82,739	59,331
Salaries, pensions and other staffing costs	458,483	156,166	614,649	86,704	701,353	634,866
	962,232	337,375	1,299,607	252,548	1,552,155	1,266,858
Salaries, pensions and other staffing costs	74,374	31,599	105,973	35,942	141,915	141,949
Operating costs of the gallery	250,227	21,275	271,502	17,054	288,556	313,070
Depreciation	222,879	18,950	241,829	15,191	257,020	235,210
Governance (Note 8)	39,223	8,013	47,236	9,114	56,350	30,380
	586,703	79,837	666,540	77,301	743,841	720,609
Total costs 2023	1,548,935	417,212	1,966,147	329,849	2,295,996	
Total costs 2022	1,390,096	332,038	1,722,134	265,333	1,987,467	1,987,467

£477,064 (2022- £421,041) of the above costs were attributable to restricted funds. £1,818,932 (2022 - £1,566,426) of the above costs were attributable to unrestricted funds.

8 Governance costs

	2023 £	2022 £
Salaries, pensions and other staffing costs	20,363	17,781
Auditor's remuneration & associated professional fees	35,987	12,599
	56,350	30,380

9 Net income / (expenditure) for the year

Net income / (expenditure) is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets	257,020	235,210
Operating lease rentals	1,658	-

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2023****10 Trustees' and key management personnel remuneration and expenses**

The trustees neither received nor waived any remuneration during the year (2022: £Nil).

The total amount of employee benefits received by key management personnel is £175,167 (2022 - £156,929). The Charity considers its key management personnel comprise the director, deputy director (now Acting Chief Executive Officer), Acting Artistic Director of Exhibitions and Acting Artistic Director of Education.

No (2022 – No) trustees are accruing pension arrangements.

The trustees did not have any expenses reimbursed during the year (2022 - £Nil).

11 Staff costs and employee benefits

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

	2023 Number	2023 FTE	2022 Number	2022 FTE
Exhibition	13	11	14	11
Education	5	3	5	3
Publicity	5	4	5	4
Administration	7	6	7	6
	30	24	31	24

The total staff costs and employee benefits was as follows:

	2023 £	2022 £
Wages and salaries	775,620	715,196
Social security	60,924	53,926
Defined contribution pension costs	27,087	25,474
	863,631	794,596

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:

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

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2023****12 Interest payable and similar charges**

	2023 £	2022 £
Bank charges	1,829	1,549
	<u>1,829</u>	<u>1,549</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 2022	5,526,731	214,074	1,000,027	6,740,832
Additions	-	17,232	6,559	23,791
At 31 March 2023	<u>5,526,731</u>	<u>231,306</u>	<u>1,006,586</u>	<u>6,764,623</u>
Depreciation:				
At 1 April 2022	2,399,008	113,781	792,186	3,304,975
Charge for the year	120,300	40,505	96,215	257,020
At 31 March 2023	<u>2,519,308</u>	<u>154,286</u>	<u>888,401</u>	<u>3,561,995</u>
Net book value:				
At 31 March 2023	<u>3,007,423</u>	<u>77,020</u>	<u>118,185</u>	<u>3,202,628</u>
At 31 March 2022	<u>3,127,723</u>	<u>100,293</u>	<u>207,841</u>	<u>3,435,857</u>

The net book value of long leasehold land and buildings includes £174,834 (2022: £181,864) 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 (2022 - £1) in respect of the long leasehold land and buildings attributable to the group's subsidiary company.

Included within Fixtures and Equipment above are £Nil (2022 - £44,879) of assets under construction.

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2023****14 Investments**

	£ Listed investments
Valuation 1 April 2022	626,720
Purchases	61,721
Disposals	(78,759)
Unrealised (loss)/gain	(33,709)
Other investment movements	27,839
Valuation 31 March 2023	603,812

The Charity Investments balance also includes £2 of share capital in the Trading Subsidiary, Oozells Trading Limited (Charity Investment balance £603,814 (2022: £626,722)).

Investments are comprised of the following:

	2023 £	2022 £
Equities	420,616	453,621
Fixed interest	79,388	73,195
Alternative investments	65,140	91,364
Cash	38,668	8,540
	603,812	626,720
	£	£
Cost 31 March 2023	507,180	478,938

Individual holdings at 31 March 2023 in excess of 5% of the portfolio value include:
Findlay Park Funds PLC £41,460 (2022: £53,454) and HSBC ETFs £66,518 (2022: £70,440).
London Stock Exchange exceeded 5% of the portfolio value at 31 March 2022 £35,847.

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 03095021). A summary of the financial activities undertaken by the subsidiary is set out below:

	2023 £	2022 £
Turnover	13,757	13,268
Administrative expenses	(17,691)	(13,268)
Operating profit	(3,934)	-
Interest receivable	-	-
Profit for the year	-	-
Gift Aid	-	-
Retained profit by the subsidiary	(3,934)	-

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2023****15 Debtors**

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade debtors	27,853	8,966	27,853	7,349
Amounts owed by group undertakings	-	-	4,189	4,176
Other debtors	239	5,366	239	5,366
Prepayments and accrued income	398,347	253,149	398,347	253,149
Other tax and social security	2,854	36,192	-	36,192
	<u>429,293</u>	<u>303,673</u>	<u>430,628</u>	<u>306,232</u>

16 Creditors: amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade creditors	48,626	176,511	46,706	176,511
Other tax and social security	27,967	23,356	25,535	21,908
Accruals and deferred income	<u>244,240</u>	<u>298,882</u>	<u>242,640</u>	<u>297,432</u>
	<u>320,833</u>	<u>498,749</u>	<u>314,881</u>	<u>495,851</u>

Included within other tax and social security are £8,771 (2022 – £8,801) of outstanding defined contribution pension contributions.

17 Deferred income**Group and Company**

	Under 1 year £	Over 1 year £	Total £
At 1 April 2022	225,772	-	225,772
Additions during the year	181,068	-	181,068
Amounts released to income	(225,772)	-	(225,772)
At 31 March 2023	<u>181,068</u>	<u>-</u>	<u>181,068</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 2023****18 Fund reconciliation****Group and Company - 2023****Unrestricted funds**

	Balance at 1 April 2022	Income	Expenditure	Transfers	Gains / (losses)	Balance at 31 March 2023
	£	£	£	£	£	£
General	788,839	1,868,116	(1,814,631)	(111,826)	-	730,498
Reserve	50,000	-	-	-	-	50,000
Ikon 50 Fund	500,000	15,101	(4,301)	22,909	(33,709)	500,000
	1,338,839	1,883,217	(1,818,932)	(88,917)	(33,709)	1,280,498

Restricted funds

	Balance at 1 April 2022	Income	Expenditure	Transfers	Gains / (losses)	Balance at 31 March 2023
	£	£	£	£	£	£
Development Fund	3,131,415	-	(120,300)	-	-	3,011,115
Restricted Grants	-	259,727	(224,445)	(11,667)	-	23,615
ACE Capital Grant	215,961	-	(105,121)	12,143	-	122,983
ACE Covid Recovery Fund 2	-	-	(27,198)	88,441	-	61,243
	3,347,376	259,727	(477,064)	88,917	-	3,218,956

The general unrestricted funds balance for the group includes the deficit funds of Oozells Trading Limited of £3,934.

In the year a transfer of £11,667 was made from restricted grants to general funds, representing the element of grant funding Ikon could attribute to general overheads. A further transfer of £100,584 (£12,143 to ACE Capital Grant and £88,441 to ACE Covid Recovery Fund 2) was made to restricted grants from general funds, representing the reclassification of particular assets as being restricted in nature. Losses on the Group's investments have been transferred to the Ikon 50 Fund from general funds.

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2023****18 Fund reconciliation (continued)****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	3,372,015	-	(120,300)	-	-	3,131,415
Restricted Grants	9,191	211,934	(207,577)	(25,270)	-	-
ACE Capital Grant	303,337	(16,549)	(93,164)	(10,524)	-	215,961
	3,684,543	195,385	(421,041)	(35,794)	-	3,347,376

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.

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2023****18 Fund reconciliation (continued)****Fund descriptions (continued)****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 £122,983 (2022: £215,961) of fixed assets.

ACE Covid Recovery Fund 2 – this is funding from HM Government, provided via Arts Council England to support Covid Recovery. This fund is represented by £61,243 (2022: £Nil) of fixed assets.

19 Analysis of net assets between funds - 2023

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	7,287	3,195,341	3,202,628
Investments	603,812	-	603,812
Cash	498,773	23,615	522,388
Other current assets / liabilities	170,626	-	170,626
Total	1,280,498	3,218,956	4,499,454

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

Ikon Gallery Limited**Notes to the Financial Statements****Year Ended 31 March 2023****20 Reconciliation of net income to net cash flow from operating activities**

	2023 £	2022 £
Net expenditure for year	(186,761)	(112,375)
Interest receivable	(2,522)	-
Dividends receivable	(15,101)	(12,978)
Depreciation and impairment of tangible fixed assets	257,020	235,210
Decrease / (increase) in stock	5,554	(27,735)
Increase in debtors	(125,620)	(43,448)
Decrease / (increase) in value of investment	5,870	(44,803)
(Decrease) / increase in creditors	(177,916)	198,944
Net cash (outflow) / inflow from operating activities	(239,476)	192,815

Analysis of changes in net cash

	At start of year £	Cashflows £	At end of year £
Cash	750,994	(228,606)	522,388

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 £27,087 (2022 - £25,474).

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 2023 the company had future commitments under non-cancellable operating leases as follows:

	2023 £	2022 £
Expiry date		
Within 1 year	1,658	1,658
2 – 5 years	1,657	3,315

23 Financial commitments

There were no (2022 - £Nil) commitments for the acquisition of tangible fixed assets contracted for but not provided in the financial statements.

24 Related party transactions

At 31 March 2023 the charity was owed £4,189 (2022: £4,176) from its subsidiary Oozells Trading Limited. The movement represents net cash movements in the year.