

ROYAL WEST OF ENGLAND ACADEMY
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

Company Registration Number: 03567088
Charity Number: 1070163

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**ROYAL WEST OF ENGLAND ACADEMY
REFERENCE AND ADMINISTRATIVE DETAILS**

YEAR ENDED 30 JUNE 2021

Registered office and principal address

Queen's Road
Clifton
Bristol
BS8 1PX

Company registration number – 03567088

Registered charity number – 1070163

Board

The following individuals served as directors and trustees within the year and up to the signing date:

Yvonne Ashton ACA, Honorary Treasurer
Kathy Curling, Chair
Dallas Collins (appointed 30 July 2020)
Patrick Finch (appointed 30 July 2020)
Stephen Jacobson RWA (resigned 30 July 2020)
Elena Marco
Vanessa Moon
Fiona Robinson PRWA
James Russell (appointed 19 November 2020)
Junior Sheikh
John Vasey (appointed 30 July 2020)
Nerys Watts
Joanna Wyld (appointed 30 July 2020)

Company Secretary

Alison Bevan BEM FMA (resigned 6 October 2020)
Nicola Prosser (appointed 6 October 2020)

Auditor

Burton Sweet Limited Chartered Accountants & Registered Auditor
5 Farleigh Court, Old Weston Road, Flax Bourton, Bristol BS48 1UR

Bankers

Barclays Bank

Investment advisors

Tilney Smith & Williamson
Portwall Place, Bristol BS1 6NA

ROYAL WEST OF ENGLAND ACADEMY
TRUSTEES ANNUAL REPORT
YEAR ENDED 30 JUNE 2021

The Trustees are pleased to present their annual report, together with the financial statements of the Royal West of England Academy ('the RWA' or 'the charity') for the year ended 30 June 2021. This report and the financial statements have been prepared in accordance with the Companies Act 2006, the charitable Company's Memorandum and Articles of Association and the Statement of Recommended Practice "Accounting and Reporting by Charities". Reference and administrative details are set out on page 3 and form part of this report.

Structure, governance and management

The RWA is a company limited by guarantee and registered as a charity with the Charity Commission. It is governed by its Memorandum and Articles of Association and by its Bye-laws.

The governing body of the charity is the Board. The directors of the RWA for purposes of company law are also the charity's trustees and are generally referred to as 'the Trustees'. The Board meets at least six times a year with the Director in attendance. It is involved in major strategic decisions and has ultimate responsibility for the conduct and financial stability of the RWA. There are also Board committees covering audit, fundraising, nominations, outreach and property matters, respectively. The Board is led by the Chair of Trustees and financial matters are overseen by the Honorary Treasurer.

A chief executive, referred to as the Director although not a director under the Companies Act, manages the day-to-day operations of the charity. The Board appoints the Director, determines their contract of employment and reviews their pay and performance, and the Treasurer oversees the level of remuneration for the senior management team.

Day-to-day management is the responsibility of the Director, assisted by the senior management team comprising Head of Finance, Head of Development and Head of Programme. Remuneration of all the key management personnel is benchmarked against comparator organisations in the sector of a similar scale, and is reviewed annually based on both performance and market trends.

The Trustees are appointed as prescribed by the Memorandum and Articles of Association and by the Bye-laws. New Trustees are recruited through a process of advertisement and interview that is handled by the Nominations Committee of the Board. A Governance Review was undertaken during summer 2019; its recommendations were enacted upon during 20/21, including the strategic appointment of new Trustees to meet identified needs. The planned introduction of a formal programme of induction and training for new Trustees was delayed by the Covid-19 lockdowns, but revision of sub-committee structures, succession planning and formalisation of roles and responsibilities have all been effected in response to the Governance Review recommendations.

The Council of Artists, comprising unpaid representatives of RWA Academicians, provides advice to the Board on artistic matters. It is Chaired by the Academicians' President, who also serves on the Board. Academicians also serve on an Exhibitions Committee, guiding the content of the artistic programme.

Objectives and activities

The charity's Objects are: "to advance the education of the public in the fine arts and, in particular, to promote the appreciation and practice of the fine arts and to encourage and develop talent in the fine arts."

The charity's Objects determine its objectives, aims and activities, namely to use the RWA's exceptional gallery spaces to display for the public a wide range of art by artists including Academicians and non-Academicians; works from the RWA's permanent collection, and works on loan from public and private collections, supported by information and related educational events, such as lectures, exhibition tours and workshops.

The RWA collaborates with arts and educational institutions across the region and hosts a School of Art (currently operated by South Gloucestershire and Stroud College, 'SGS') within its building. It also operates the RWA Drawing School, offering informal learning opportunities for amateur and professional artists.

The key objective has been, and remains, for the RWA to be a sustainable centre for excellence in the visual arts for the South West region.

Strategy for achieving objectives

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

- Work with our Academicians and external curators to present a broad range of art exhibitions for the enjoyment and education of our local communities and the public of the South West
- Offer opportunities for people of varied ages, backgrounds and abilities to be involved in arts activities and to nurture and explore their own creative powers
- Provide facilities for amateur and professional artists to learn and share skills and to develop and exhibit their work
- Care for, develop and provide access to its fine art collection
- Involve young people in artistic activities and to encourage their enjoyment and understanding of the visual arts
- Support the provision of formal training in the fine arts and architecture through associations with relevant institutions
- Celebrate the diversity of cultures in our society by programming presentations by, and with, artists from different cultural backgrounds
- Generate income from ticket sales, retail and other commercial operations and from public and private funding sources to provide sustainable funding for its activities

Our aims for 2020-21 were to:

- Maintain a sustainable business model, adapted to the circumstances prevailing at the time
- Continue raising the profile of the RWA regionally and nationally
- Provide an environment in which all communities are welcome and feel able to engage with our work

Our key objectives for 2020-21 were to:

- Secure the remaining funding to support our round 2 bid to the National Lottery Heritage Fund to undertake the Light and Inspiration project
- Undertake the required preparatory work to deliver the capital works in 2021, effecting transformational changes to enhance the visitor experience and improve sustainability
- Implement strategic measures to mitigate losses from Covid-19 and to maintain visitor and community engagement despite the limitations of safe social distancing and enforced closure
- Develop and hone our marketing strategy to expand use of digital technology to promote and provide access to our planned programme of stimulating, high quality exhibitions, events and outreach activities
- Continue to widen diversity at the RWA by ensuring that our organisation truly reflects wider society in its representation by people from Black, Asian and Mixed Ethnicity communities and of differing age, sexual orientation, gender identity, disability and beliefs, at all levels, including the Board, the staff team, volunteers, Academicians, Patrons and Friends of the RWA
- Build on our fundraising strategy to ensure that our core activities – including our exhibitions, outreach and learning and participation programmes – are sustained and enhanced through regular personal giving, donations, grants, bequests and sponsorship activities
- Begin to implement our business development plans to ensure that Light and Inspiration delivers significantly increased income from visitor spend, hires, commercial activities and corporate memberships, in order to build our free reserves

Public benefit

The Trustees have complied with the Charities Act 2011 and confirm that they have paid due regard to the guidance issued by the Charity Commission on Public Benefit.

The role of volunteers

Volunteers are involved in all areas of the RWA's work, including visitor care and gallery stewarding, tour guiding; staffing events; supporting the exhibitions team with changeovers; engaging with our community groups; undertaking audience surveys; providing specialist advice, and organising lectures, trips and fundraising activities as part of the Friends of the RWA. In a usual year, we receive thousands of hours of support from volunteers and the charity remains grateful for their essential contributions of time, expertise and energy.

Through National Lottery Heritage Fund support, volunteers' network is now supervised by a full-time Volunteer Co-ordinator, who instigates recruitment and ensures that inductions, training and support are provided to all volunteers. Opportunities for volunteering are offered to all, welcoming people of all ages, gender identities, backgrounds and disabilities, and providing a vehicle for enriching employment experience for Sixth form school pupils, graduates and job seekers, as well as life-long-learning and social engagement for older people.

Over recent years, we have made significant efforts to improve the inclusivity of our volunteer programme, with the aim of broadening the diversity of our team as a whole, and we seek to provide our volunteers with meaningful experience and training that will strengthen their employment prospects. During the past year, volunteers and placements have remained involved in all aspects of our exhibitions and outreach activities, as far as Covid restrictions allowed.

In addition to our usual activities, as part of the National Lottery supported *Light and Inspiration* project, in 2020/21:

- 15 volunteers participated in focus groups to determine why they volunteer and what they want from volunteering with the RWA
- 33 volunteers attended information sessions over Zoom about the L&P Activity Plan and RWA Heritage Project, and all volunteers received a bespoke guide to the Light and Inspiration Project
- Two new volunteer roles were developed – Family Learning Volunteer and Archive and Research Volunteer – and all volunteers were invited to apply
- External recruitment for the new roles was opened and we received 40+ applications in two weeks. We advertised on a range of online platforms and in physical spaces to be as inclusionary as possible
- Following recruitment we saw our volunteer demographic shift towards a younger age group (17-25) and a more diverse range of ethnicities
- 17 applicants attended a Volunteer Open Evening in the RWA Main Galleries with opportunities to talk to volunteers and staff
- 14 Family Learning Volunteers completed safeguarding training online and half attended a follow-up FAQs session
- 17 Archive and Research Volunteers attended an induction to join the Heritage Project
- 26 volunteers are currently helping us digitalise our entire collection of Annual Open Exhibition catalogues
- 250 total volunteer hours were completed (including inductions and training).

Review of charitable activities, achievements and performance 2020-21

The financial year 2020-21 was one of the most challenging, but also one of the most momentous in our history. Despite the enormous disruption caused by the Covid-19 pandemic, we completed the development phase of our *Light and Inspiration* (L&I) capital project; exceeded our fundraising target by £165,000; secured our £1.3M National Lottery Heritage Fund (NLHF) delivery grant, and commenced our most significant building project in over a century.

Due to the prevailing national lockdowns, we had to close to the public from 17 March 2020 and then needed to close to empty our building for the start of the L&I project on 24 May 2021. This meant that, out of a planned 254 days of being fully open and earning ticket and sales revenue, were able to be open for just 70 days.

Nevertheless, during the year:

- In total, in excess of 7,000 people visited us during the 70 days we were able to open
- Described Tours for people with visual impairments continued via Zoom for each of the exhibitions
- During the Chatterton exhibition, Polly Denny, our Poet in Residence, read her poems to the group and during the 168th Annual Open, artists Rebecca Salter, Beth Carter, PJ Crook, and Pierre Niyongaro attended the sessions to talk about their work
- 70 emerging artists were supported through the Artist Network Scheme
- Nearly 1000 participants attended in person (when possible) or on-line sessions hosted by the RWA Drawing School, learning artistic skills through 88 courses and workshops
- Arts Council Emergency funding obtained in the prior year funded the continuation of audience engagement activities which included:
 - 19 South Asian older people engaging with art and sharing stories of their lockdown and Covid-19 experiences
 - 90+ adults attending online Art History Day Schools online
 - 204 attendees for Live Hedgehog Drawing workshops for families on Zoom, one of our most popular free family workshops to date
 - 350+ young people joining either an online junior drawing school or other family workshop during the year
- 3,414 on-line submissions were received and 667 works by 454 artists were exhibited in our 168 Annual Open Exhibition, ranging from internationally acclaimed names to novice exhibitors, reflecting our ongoing commitment to creating opportunities for new and emerging talent. The works were also available to view and purchase on-line and 145 works were sold
- 14,500 people followed us on Twitter and 10,429 on Facebook

We achieved this and brought in a balanced financial outturn at year end and through adapting our programme and our business operation to optimize our position in all circumstances, including securing an Arts Council Culture Recovery Fund grant in addition to Emergency Funding already received from them.

Actions to mitigate the impact of lockdowns and Covid safety measures included:

- Using the Arts Council Emergency Funding to commission a new online booking system to enable us to open with timed booking slots and restricted numbers to ensure compliance with recommended social distancing guidelines.
- Securing £36,600 in emergency funding from the National Lottery Heritage Fund which helped to cover core costs (such as staffing for reopening) and additional spend such as new digital equipment to aid distanced working arrangements, and a contactless digital donations box.
- Negotiating extension of the loan period for artworks included in our *Wilhelmina Barns-Graham: Inspirational Journeys* exhibition to September 2020 to enable us to welcome visitors from 1 August. Visitor numbers and takings nearly doubled our amended forecast and, gratifyingly, we also received extensive praise from visitors about how safe they felt, with all the covid-secure measures we had put in place. We also sold over £16,500 of Barns Graham prints.
- Moving both stages of selection for our 168 Annual Open Exhibition on-line, which was so successful we intend to continue this model in future years for practical, financial and environmental reasons.
- Delaying opening of the Annual Open exhibition to allow more time for an extended hand-in period and socially-distanced layout and hanging (the exhibition opened to the public from Saturday 21 November, but unfortunately had to shut again a few days later due to the third national lockdown).
- Classifying ourselves as a Commercial Gallery to enable us to re-open from 12 April, as accredited galleries and museums were only permitted to open from 17 May. Waiting until then would have been disastrous as we needed to commence the capital project on 24 May. Since 97% of works in the Open were for sale, DCMS confirmed that we met the classification as a commercial gallery, so we

were able to re-open for four weeks. Our accredited museum status was not affected and we received praise from all quarters, particularly the exhibiting artists, for taking the action we did.

In addition, we were awarded £116,594 from the Arts Council Cultural Recovery Fund which enabled us to:

- Continue to give paid employment to freelance artists both through underwriting otherwise unprofitable drawing school classes and through delivery of non income-generating activities such as family workshops
- Honour payments to independent curators whose exhibitions had been postponed or cancelled
- Replenish essential reserves to see us through the capital project closure

Exhibitions programme 2020-21

For reasons outlined above, the exhibition programme was severely curtailed, and a number of planned exhibitions, such as the Photography Open, had to be deferred to future years.

The following exhibitions were staged within the galleries, admitting visitors for some of the period outlined:

14 March – 20 Sept 2020	<i>Wilhelmina Barns-Graham: Inspirational Journeys</i> - Curated by Wilhelmina Barns-Graham Trust (originally scheduled to end 24 May 2020)
14 March – 20 Sept 2020	<i>St Ives: Movements In Art And Life</i> - Curated by Rachel Rose Smith (originally scheduled to end 24 May 2020)
October 2020	<i>Furious Wild and Young: The death of Chatterton</i> by Henry Wallis The focus for a city-wide commemoration of the 250th anniversary of the death of inspirational Bristol-born poet Thomas Chatterton by exhibiting Henry Wallis's iconic painting 'Death of Chatterton' on loan from Tate
October 2020 – May 2021	<i>168 Annual Open Exhibition</i>

In addition, the following exhibitions were presented online:

- ***Alternative End of Year Show*** giving Bristol's Year 11 and Year 13 (GCSE & A level students) a chance to show and celebrate their achievements: Over 50 paintings were exhibited and 6364 people engaged with the exhibition as online audience
- ***Hope in the Darkness*** curated from the RWA collection by Year 10 and Year 12 students from schools across Bristol who did not know each other and worked together on this week-long Work Experience project. Over 732 people visited the online exhibition.

From June 2021, we also staged a 'pop-up' touring exhibition, *Varekai (Wherever)*, showcasing nine specially selected works from the RWA collection, touring to community venues across some of Bristol's most disadvantaged communities.

Light and Inspiration Project

On 16 September 2020, we received confirmation that we had been successful with our Round 2 application to the National Lottery Heritage Fund (NLHF) for a £1.35m total grant towards our £3.8M Light and Inspiration (L&I) capital project, having secured partnership funding from many other sources including the Arts Council, John James Bristol Foundation, Wolfson Foundation, Foyle Foundation, Garfield Weston Foundation, Linbury Trust and Nisbet Trust.

The specific aims of the project are to:

- Visibly transform access to engage new and wider audiences
- Preserve the exceptional quality of the galleries
- Improve the visitor experience from first glimpse
- Strengthen financial resilience and decrease environmental impact
- Extend inspirational community engagement

This will be achieved by:

- Installing new, thermally-controlled roof lanterns to mitigate extreme temperatures
- Creating vibrant social spaces, outdoors and in, welcoming families and supporting urban nature
- Introducing a capacious new lift and new entrances to signal a welcome for all
- Enhancing cafe, retail and accessible community amenities

- Futureproofing utilities and improving revenue generation facilities
- Building on and expanding our partnerships and wellbeing work, supporting disadvantaged individuals and communities across Bristol and beyond

In addition to the schedule of capital works and activity outlined in our submission, the approved purposes for the NLHF grant included:

- The installation of a Changing Places toilet facility
- The implementation of a wellbeing policy and appointment of 20 wellbeing champions
- The expansion and diversification of the volunteer cohort and recruitment of 30 new volunteers, a skill development programme and a range of new roles
- The implementation of a new digital strategy
- The engagement of young people from diverse and disadvantaged backgrounds through a Young Curator's club with Creative Youth Network and a range of learning and training opportunities.

CAPITAL PROJECT

The design team used during the development phase were all re-appointed and the project board was strengthened by the appointment of Patrick Finch (former Estates Bursar of the University of Bristol), and John Vasey (commercial litigation and construction lawyer).

Ten expressions of interest were received from contractors and after a comprehensive review process, four shortlisted to go through to the tender stage. Three contractors submitted bids in January 2021 and Beard Construction were appointed as main contractors.

The building closed to the public on 9 May 2021 to enable the building to be cleared in preparation for work starting on site from the 24 May.

L&I ACTIVITY PROGRAMME

There is a comprehensive and ambitious schedule of community engagement that forms a significant part of the L&I project. A new part-time Learning and Participation Assistant funded by the project was appointed in January 2021 and the team led by our Learning and Participation Manager, commenced work on the programme which will run through to the end of 2022. As a result of the pandemic, some activities have had to be deferred or amended, but during the year we have achieved the following:

- *CreativeShift Arts Ease*: a project for people on an arts-on-referral programme from their GPs. We delivered 22 workshops for 39 participants. During lockdowns, most workshops were carried out on Zoom, but some chose to participate using kits and materials sent out by post. When the RWA was briefly able to re-open in May, some sessions were arranged in-person, but numbers were significantly lower due to anxiety around Covid-19 and transport. Participants' work will be displayed alongside the *Me Myself I* exhibition to be held at the RWA in 2022.
- *Space Agency*: a focus group of young people of colour from across Bristol engaging with the space in the building during the short May opening. This is a research project looking at inclusion at RWA, and takes into account physical responses from the focus group when they were in certain parts of the building. It is hoped that the findings from the focus group will lead to further training and planning around how it feels to come into the RWA building when you are in a minority and have not felt included or welcomed before. Staff received some training around visualisation and active listening as part of this project.
- *'Happy Mondays'*: work has begun with students at Venturers Academy in preparation for a planned new programme for children with an autism diagnosis to participate in workshops and see the exhibitions on monthly Monday mornings, when we are closed to other visitors. This will be facilitated by artist Rae Melody who has taught art at Venturers for many years. She led workshops at the school in June which explored "what is an art gallery?" and further workshops will take place in the autumn. Happy Mondays will also include afternoon sessions open for SEN+D families to drop in, widening our offer for children with learning and physical disabilities.
- *Varekai (Wherever) Pop-up Exhibition*: this was installed at Easton Community Centre in mid-June, running for seven weeks, and was very well received. The exhibition is now touring to other

community venues, one per month until the end of the year. Artist-led workshops accompanied the exhibition at Easton Community Centre, including a free Family Workshop, which had 23 attendees, and a workshop for Caribbean Elders, with 9 attendees, resulting in a request for monthly workshops with RWA. The track hanging system has been installed and donated to the community centre to use for future exhibitions. One of the artists recruited to lead the family workshops is a member of Bristol Refugee Artists Collective and this is her first job in the UK.

- New freelancers recruited: Between January and June 2021, 14 freelance artists and producers were recruited to lead Activity Plan workshops. An additional five artists have been added to the Learning & Participation 'bank' of facilitators, so that we are able to offer a wider number of people freelance work in Learning and participation when it is available. All the new freelancers meet RWA's Safer Recruitment requirements for safeguarding, and we now have more artists from underrepresented backgrounds than ever before.

L & I VOLUNTEER ACTIVITY PROGRAMME

At the beginning of 2020, before we went into the first lockdown, volunteer engagement was high and centred primarily around activity within the gallery itself. We had approximately 1200 available volunteering hours across Jan and Feb, and 75% of those were covered. We had 30 'core' volunteers who would share their time on an ongoing weekly basis, as well as a cohort of 100+ casual volunteers who would offer a handful of hours per exhibition. When the pandemic struck we found ourselves in a position where we had nothing to offer any of our volunteers and there were concerns about being able to engage them, and accept their offers of support (and there were many) in meaningful ways.

In September 2020 we launched TeamKinetic, an all-in-one volunteer management software, and asked our entire database of volunteers to sign up if they were still interested in volunteering with the RWA. Within a month we saw a very encouraging 63 volunteers register, with a further 29 new volunteers registering between September 2020 and June 2021.

Our proactive approach to developing enriching, meaningful opportunities for our volunteers is being well received, with one volunteer stating, "A really fun and fulfilling afternoon, speaking to the kids and parents was great and showing them how to make the different crafts meant you could connect with people and learn a lot yourself too."

Diversity

The RWA has had equality at its heart since its foundation and in recent years has made significant progress in engaging non-traditional audiences. However, we recognise that our organisation's stakeholders – staff, Academicians, Governance and volunteers – do not reflect the diverse cultures of our community and have therefore been actively encouraging a broader range of people to join us at all levels of our organisation, from volunteers to Board members.

As a result, we have succeeded in embedding greater diversity in every facet of our operation, including Board members, Academicians, staff, volunteers and Patrons, and we are making significant progress towards achieving our aim of ensuring that our organisation truly reflects the equality enshrined in its history and values.

Fundraising and income generation

Since its inception, the RWA has relied on fundraising and voluntary income and strictly abides by the highest ethical standards, as well as complying with all legislation regarding fundraising disclosures. We do not use external third parties or commercial participators in our fundraising, and are fully compliant with all relevant professional codes. No complaints over the conduct of our development campaigns or activities have been raised, and particular care is taken to protect those vulnerable people and communities who form a key part of our target audience.

Corporate income has been maintained during the year through Art In Your Workplace agreements with Audley Redwood, Audley Malvern and DAC Beachcroft. In addition, a new sponsorship package commenced during the Chatterton exhibition with Schroeders Wealth Management and will continue with their sponsorship of the Our Heritage, Our Future exhibition in the Victoria Methodist Church later in the year. Our sole source of regular public subsidy remains Bristol City Council, who have continued funding under their Openness programme (£9,600 p.a.).

During the year we have secured project grants from funders including Arts Council England, Joan Hawkins Trust and Lark Trust, some of which have been deferred to when the activity is due to take place.

Our most significant fundraising event is our annual Secret Postcard Auction, which was deferred to September 2021 (previously May/June), and will be held at this point in the year in future.

The Friends of the RWA (an independent charity, No. 1107149) continue to administer and run a Friends membership scheme on behalf of the RWA and support its activities with regular donations, as well as organising lectures and a cultural tours programme.

Our Patrons continue to play a key role in supporting the RWA's work, and we are delighted that we have continued to gain new members, whose generous support is invaluable, including ad hoc project donations as well as membership subscriptions. A full list of our Patrons and supporters is on page 35.

Financial Review

Total net income for the year amounted to £895,134 compared with £178,744 in 2020, and at 30 June 2021 the charity's net assets totalled £6,501,886, including investments of £793,862 and cash at bank of £992,983.

Income

Total income in 2021 was £1,552,144 (2020 - £1,187,629). Restricted fund income rose to £993,289 (2020 - £331,180) primarily due to income of £787,827 in respect of the Light & Inspiration capital project but also Emergency funding and Cultural Recovery Funding from the Arts Council and emergency funding from the National Lottery Heritage Fund.

Unrestricted income totalled £537,935 compared to £805,299 in 2020. This decrease is largely due to the fact that we were open for eight months of the 19-20 financial year before we had to close due to the pandemic compared to two brief periods during 20-21. In addition, we had a very successful postcard auction in 2020 and did not hold one in the last financial year. The 168th Annual Open exhibition originally opened briefly in the autumn prior the lockdown and then for a further four weeks prior to the building being handed over to the contractors on the 24th May 2021. In addition, the RWA has received £132,583 (2020 - £78,702) from the government's Covid-19 support schemes, most notably income in respect of furloughed employees and the small business grant.

Expenditure

Total expenditure in 2021 amounted to £744,164 (2020 - £995,091), the decrease being primarily due to unrestricted expenditure which fell to £529,494 (2020 - £718,183) despite the fact that the RWA has financially supported all employees during the pandemic, with no redundancies or salary reductions being made, the organisation making up the difference between the furlough scheme income and the normal full salary of all furloughed members of staff. This reduction was primarily due to some operational expenditure being funded by Emergency Funding.

Investment gains in 2021 totalled £87,154 (2020 – loss of £13,794).

Cash flow and cash balances

Operating and investing activities in 2021 resulted in a net cash inflow of £993,283 overall (2020 - £168,493) and resulted in cash at bank of £ 992,983 at 30 June 2021 (2020 - £329,683), including unrestricted cash of £233,637 (2020 - £164,502).

Other fund movements

Income and expenditure by individual fund are set out in note 17 to the financial statements. The major activity during the year related to delivery phase expenditure in relation to the Light & Inspiration capital project. In addition, the designated fund created in the prior year primarily to support the organisation through its planned closure period in 2021 for the capital project was supplemented by £50,000 from the Arts Council Cultural Recovery Development Fund. Designated funds are unrestricted and hence it is included as part of the unrestricted fund total. Certain property related costs and costs relating to the maintenance of the permanent collection totalling £17,626 (2020 - £18,691) were borne by The Mrs AA Talboys Bequest restricted fund.

Investments

Whilst Covid-19 lockdowns caused significant falls in global markets in early 2020, this rebounded strongly during the 20-21 financial year especially in the US. Hence by the 2021 year end, the portfolio had risen by £87,154 which is 11.5% of the value at the previous year end.

The Trustees' investment objective is to achieve a balanced return between income and growth over the long term, subject to a medium level of risk, with the portfolio being regularly reviewed at Trustee meetings. The investment policy takes into account social, environmental and ethical considerations. Cash is also held in The Mrs AA Talboys restricted fund to ensure adequate liquidity should the Trustees wish to use it for permitted purposes.

The Light & Inspiration capital project means that it is even more important than usual to maintain the value of the RWA's investment portfolio and to improve its liquidity. Hence the Trustees sold £200,000 of investments, mainly equities, in early August 2020, and this is now being held as cash within the portfolio total, so that it is available if required for capital payments, and to reduce the overall risk profile from medium to medium/low.

Reserves

The Trustees have reviewed the level of free reserves that the charity should have, being those funds that are not restricted or represented by fixed assets. At 30 June 2021 unrestricted funds increased to £185,307 compared with £155,946 at 30 June 2020, but after taking into account funds held as designated reserves and fixed assets, free reserves were £50,106 (2020 – £27,111). This free reserves balance at 30 June 2021 includes an amount of £28,000 that is repayable to The Mrs AA Talboys Bequest in annual instalments of £2,000 over the next fourteen years.

The Trustees consider that the 'going concern' basis remains appropriate for the preparation of the charity's financial statements. As discussed above, the underlying performance of the charity has been strong, despite the impact of the pandemic, and the RWA is well placed to continue to grow and to benefit from the forthcoming capital improvements.

The Trustees consider that an appropriate level of free reserves would be £150,000 to £250,000, in order to allow the charity to be managed efficiently and to cover any unforeseen repairs to the building and disruption to the programme of exhibitions and related activities. Whilst free reserves remain below this desired level the charity aims to maintain sufficient cash resources to meet its operational needs, at the same time taking appropriate initiatives to attract further funding and to secure an increased return from its charitable activities. An unsecured overdraft facility of £60,000 is also available to provide a further cushion.

Risk management

The Trustees are responsible for ensuring that the RWA has effective risk management procedures in place that identify areas of potential risk and evaluate their likelihood of occurrence and potential impact. A risk register is maintained and significant risks are considered by the Trustees on a regular basis to ensure that they are being managed appropriately. This has been regularly reviewed and adjusted as appropriate during the pandemic, and has most recently been amended to include a register of risks associated with the reopening of the RWA to the public.

In addition to these new risks resulting from Covid-19, other major risks facing the charity are financial sustainability, primarily as a result of low free reserves, an increased funding requirement and insufficient income being generated from charitable activities, and substantial expenditure being needed to meet the cost of any major unforeseen repairs to the listed property, or increased costs associated with staging exhibitions. Actions and initiatives are being taken to address these risks as referred to above and in the following section on Plans for 2021-22 and beyond.

Creditor payment policy

It is the RWA's policy to pay creditors in accordance with the terms of payment agreed at the start of business with each supplier.

Plans for 2021–22 and beyond

Our overriding objective remains building on the developments of recent years to ensure our future sustainability, particularly by continuing to increase both our earned income and our discretionary financial support from all sources by building our reputation, service offer and audience.

Our specific aims for 2021-22 are to:

- Deliver and complete the Light and Inspiration project capital works
- Maintain a sustainable business model, making best use of resources and adapting to circumstances
- Use the reopening of the building to raise the profile of the RWA locally, regionally and nationally
- Provide an environment in which all communities are welcome and feel able to engage with our work, and make a positive impact on lives across Bristol

Our key objectives for 2021-22 are to:

1. Ensure that there is sufficient funding to complete the Light and Inspiration project
2. Develop and hone our marketing strategy to expand use of digital technology to promote and provide access to our planned programme of stimulating, high quality exhibitions, events and outreach activities on re-opening to the public
3. Continue to widen diversity at the RWA by ensuring that our organisation truly reflects wider society in its representation by people from Black, Asian and Mixed Ethnicity communities and of differing age, sexual orientation, gender identity, disability and beliefs, at all levels, including the Board, the staff team, volunteers, Academicians, Patrons and Friends of the RWA
4. Build on our fundraising strategy to ensure that our core activities – including our exhibitions, outreach and learning and participation programmes – are sustained and enhanced through regular personal giving, donations, grants, bequests and sponsorship activities
5. Review, refine and begin to implement our business development plans to ensure that Light and Inspiration delivers significantly increased income from visitor spend, hires, commercial activities and corporate memberships, in order to build our free reserves

We recognise that our success, and our ability to meet our charitable purpose, will depend on support from a wide range of sources, including past, current and potential future benefactors; trusts and foundations; volunteers; artists and art-lovers; commercial sponsors, and public funding bodies, as well as on the hard work and dedication of the staff team. We are confident that the measures we are taking to effect improvements, together with the underlying goodwill evident from so many individuals, will ensure our resilience through garnering increasing support to meet our objectives.

Statement of Trustees' responsibilities

The Trustees (who are also directors of the Royal West of England Academy for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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 Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 make themselves aware of that information.

Auditor

Burton Sweet was re-appointed as the charity's auditor during the year and have expressed their willingness to continue in that capacity.

Acknowledgements

Thanks are due to the staff team at the RWA, including the volunteers, for their much appreciated loyalty, commitment and contribution that have been essential to the continued development and sustainability of the RWA. We are also grateful to the FRWA for their continued partnership, and to the Friends membership generally for their invaluable support. We are further indebted to our Patrons and our many other supporters and sponsors, as well as grant funders including Bristol City Council, National Lottery Heritage Fund and Arts Council England.

Finally, we would like to thank the Academicians, many of whom contribute greatly to the Academy. We are particularly grateful to the Academicians' Council and to President Fiona Robinson for all their hard work and dedication

Approved by the Trustees on 7th October 2021 and signed on their behalf by:



Kathy Curling
Chair

Independent auditor's report to the members of Royal West of England Academy

Opinion

We have audited the financial statements of Royal West of England Academy (the "Charity") for the year ended 30 June 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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).

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state in 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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 30 June 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with international Standards in 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 Charity 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 directors' 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other

information. 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 the fact.

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' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable law requirements.

Matters on which we are required to report by exception

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:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance through the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

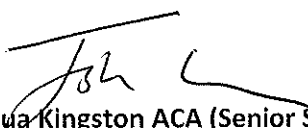
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm This description forms part of our auditor's report.



Joshua Kingston ACA (Senior Statutory Auditor)

For and on behalf of Burton Sweet Limited

Statutory Auditor

The Clock Tower

5 Farleigh Court

Old Weston Road

Flax Bourton

Bristol BS48 1UR

Date: 7/10/2021

ROYAL WEST OF ENGLAND ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES (Including Income & Expenditure Account)

YEAR ENDED 30 JUNE 2021

	Note	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Endowment funds £	Total funds 2021 £	Total funds 2020 £
Income from:							
Donations and legacies	2	205,611	-	980,000	-	1,185,611	474,274
Charitable activities	3	299,865	-	-	-	299,865	597,530
Other trading activities	4	32,459	20,920	-	-	53,379	96,137
Investments	5	-	-	13,289	-	13,289	19,688
Total income		537,935	20,920	993,289	-	1,552,144	1,187,629
Expenditure on:							
Charitable activities	8	465,935	-	192,974	-	658,909	900,156
Raising funds	8	63,559	-	21,696	-	85,255	94,935
Total expenditure		529,494	-	214,670	-	744,164	995,091
Gain/(loss) on investments	11	-	-	83,698	3,456	87,154	(13,794)
Net income being net movement in funds	6	8,441	20,920	862,317	3,456	895,134	178,744
Transfer between funds	17	9,398	(9,398)	-	-	-	-
		17,839	11,522	862,317	3,456	895,134	178,744
Total funds at 1 July 2020	17	40,517	115,429	863,241	4,587,565	5,606,752	5,428,008
Total funds at 30 June 2021	17	58,356	126,951	1,725,558	4,591,021	6,501,886	5,606,752

Income as defined by the Companies Act, and therefore excluding income from endowment funds, totalled £891,678 for the year (2020 - £182,979).

All gains and losses arising in the year are included in the Statement of Financial Activities and derive from continuing activities. The comparative data for this note can be found in note 19.

The notes on pages 21 to 34 form part of these financial statements

BALANCE SHEET

AS AT 30 JUNE 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	10	4,934,741	4,598,221
Investments	11	793,862	712,990
		<u>5,728,603</u>	<u>5,311,211</u>
Current assets			
Stock	13	9,985	12,781
Debtors	14	69,769	60,495
Cash at bank and in hand	16	992,983	329,683
		<u>1,072,737</u>	<u>402,959</u>
Creditors: amounts falling due within one year	15	(299,454)	(107,418)
Net current assets		<u>773,283</u>	<u>295,541</u>
Net assets		<u>6,501,886</u>	<u>5,606,752</u>
Funds			
Endowment funds	18	4,591,021	4,587,565
Restricted funds	18	1,725,558	863,241
Unrestricted general funds	18	58,356	40,517
Unrestricted designated funds	18	126,951	115,429
Total funds		<u>6,501,886</u>	<u>5,606,752</u>

These financial statements were approved by the Trustees on 7th October 2021 and are signed on their behalf by:



Kathy Curling
Chair



Yvonne Ashton
Honorary Treasurer

The notes on pages 21 to 34 form part of these financial statements

ROYAL WEST OF ENGLAND ACADEMY
 STATEMENT OF CASH FLOWS
 YEAR ENDED 30 JUNE 2021

	Note	2021 £	2020 £
Net cash inflow from operating activities	16	993,283	168,493
Non-operating cash flows			
Investing activities:			
Proceeds from the sale of investments		333,378	181,562
Payments for investments		(40,561)	(172,696)
Investment income		13,289	19,688
Payments for tangible fixed assets		(349,554)	(27,086)
Net cash (outflow)/inflow from investing activities		(43,448)	1,468
Net cash inflow for the year	16	949,835	169,961

The notes on pages 21 to 34 form part of these financial statements

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

1 Accounting policies

a) Basis of preparation

The financial statements of the RWA are prepared under the historical cost convention, as modified by the valuation of certain investments, and in accordance with the Companies Act 2006, the Financial Reporting Standard FRS102, the Charities SORP FRS102 and the Charities Act 2011. A summary of the principal accounting policies is set out below.

The charity meets the definition of a public benefit entity under FRS102.

The Trustees consider that there are no material uncertainties affecting going concern and that this basis remains appropriate for the preparation of the Charity's financial statements. Please see the going concern comments in the Financial Review, Reserves section of the Trustees' report for more details of this justification.

b) Funds accounting

General unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects and administration of the charity.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used.

Endowment funds comprise individual trust funds set up by specific donors, the capital of which may not be expended.

The various funds in existence during the year are set out and described in note 17.

c) Income

Donations

Donations includes grants, Patrons and Friends subscriptions, recognised on a receivable basis. Gifts in kind are included as income when there is a clear benefit to the RWA and the value can be easily ascertained or estimated. Income from individual membership schemes that are eligible for gift aid is recognised in full on receipt.

Where donor imposed conditions require that the resource is expended on tangible fixed assets, the donation is recognised as restricted fund income and transferred to unrestricted funds when the conditions have been met.

Income from other trading activities

Such income is recognised on a receivable basis.

Income from charitable activities

Income from exhibitions and workshops is accounted for in the period in which the exhibition or workshop takes place. Subscriptions are accounted for on a receivable basis.

d) Expenditure

Expenditure on raising funds includes the costs of securing Patrons (including the cost of providing membership benefits), attracting donations and grants, investment management fees and the cost of trading activity.

Expenditure is directly attributable to specific activities. Where support costs relate to more than one activity they are apportioned on a basis consistent with the estimated use of the resource.

Governance costs represent the cost of the Company Secretarial role and costs associated with the preparation and audit of the statutory financial statements and are recognised within support costs.

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Costs relating to the curation, set-up and dismantlement of an exhibition, net of any related sponsorship, are deferred and written off on a straight line basis over the period of the exhibition.

Pension costs - the RWA contributes to the personal pension plans of eligible employees. The pension plans are defined contribution schemes and the pension charge represents the amount payable by the Charity to those plans in respect of the year.

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

1 Accounting policies (continued)

e) Heritage Assets - works of art

Works of Art consist of paintings and other examples of fine art acquired by donation, bequest or purchase.

The Works of Art are accounted for as follows:

As an Accredited Museum (2145), in accordance with the Museums Code of Ethics, the Works of Art in the RWA's collection are held as historical, educational and artistic assets rather than as financial assets.

A significant proportion of the collection was donated or acquired many years ago. Additions to the collection in recent years have most typically been in the form of works of art produced by newly elected Academicians of the Academy, termed 'diploma works' and donated as a condition of membership. Works of art donated to the RWA in this fashion are not considered appropriate to value and recognise on the balance sheet due to the lack of reliable information regarding their value. Works of art, if purchased by the RWA, as required by the SORP, would be able to be valued and would therefore be recognised as a heritage asset. However, it would be noted that there is a strict code of ethics for museums such as the RWA surrounding the curation of such assets. Expenditure required to preserve and maintain the collection or individual items within the collection is recognised in the Statement of Financial Activities in the period it is incurred.

f) Tangible fixed assets

Tangible fixed assets over £500 are capitalised and stated at cost. Since 30 June 2014 freehold property has been reflected in the financial statements at depreciated replacement cost.

Depreciation is provided so as to write off the cost of the assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned at the following annual rates:

Furniture and equipment - 20-33.3%

Website - 25%

No depreciation is being charged on freehold property or on the capital spend as a result of the Light and Inspiration project, as in the opinion of the Trustees any charge would not be material due to the very long useful life of the asset. The Trustees annually review the carrying value for indication of any impairment.

g) Investments

Listed investments are held at market value, and represent investments administered by investment managers on behalf of the charity. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate fund according to the "ownership" of the underlying assets. Unlisted investments are held at cost less any impairment.

h) Stocks

Stocks are stated at the lower of cost and net realisable value.

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

2	Donations and legacies	Unrestricted Funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
	<i>Donations and grants:</i>				
	Patrons and Friends of the RWA	40,778	109,249	150,027	96,285
	Other donations and Gift Aid	11,596	35,044	46,640	21,303
	Arts Council England	-	152,596	152,596	39,687
	Garfield Weston Foundation	-	150,000	150,000	-
	Foyle Foundation	-	100,000	100,000	-
	National Lottery Heritage Fund	-	121,233	121,233	181,792
	Nisbet Trust	-	50,000	50,000	-
	Linbury Trust	-	50,000	50,000	-
	Other capital donations	-	71,878	71,878	34,313
	Bristol Port Company	-	50,000	50,000	-
	29 th May Trust	-	35,000	35,000	-
	Society of Merchant Venturers	-	25,000	25,000	-
	Swire Foundation	-	20,000	20,000	-
	Pople Trust	-	10,000	10,000	-
	Bristol City Council	9,600	-	9,600	11,400
	Government Covid-19 schemes	132,583	-	132,583	78,702
	<i>Sponsorship</i>	11,054	-	11,054	10,792
		205,611	980,000	1,185,611	474,274

The comparative data for this note can be found in note 20.

3	Income from charitable activities	2021 £	2020 £
	Exhibitions and events	103,660	351,326
	Gift Shop	10,824	33,337
	Drawing School and learning activities	75,227	112,414
	Rental of Art School premises	110,154	100,453
		299,865	597,530

4	Other trading activities	2021 £	2020 £
	SGS service charge	20,920	51,150
	Hire of Galleries and other activities	32,459	44,987
		53,379	96,137

5	Investments	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
	Dividends and other distributions	-	13,229	13,229	19,462
	Bank interest	-	60	60	226
		-	13,289	13,289	19,688

The comparative data for this note can be found in note 21.

ROYAL WEST OF ENGLAND ACADEMY
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED 30 JUNE 2021

6 Net income for the year

This is stated after charging:

	2021	2020
	£	£
Auditor's remuneration	6,808	6,560
Depreciation of tangible fixed assets	13,034	19,470

No Trustee received any remuneration, or expenses, as a Trustee during 2021 or 2020. Donations from Trustees and related parties during the year amounted to £13,250 (2020 - £7,075).

7 Staff costs and numbers

Staff costs comprise:

	2021	2020
	£	£
Wages and salaries	393,250	387,040
Social security costs	27,588	26,700
Pension contributions	10,593	10,594
	431,431	424,334

One employee received emoluments between £60,000 and £62,499 (2020 none over £60,000). The key management personnel comprise the Trustees, the Director, and the Heads of Development, Finance and Programmes. The total employee benefits of the key management personnel were £179,750 (2020 - £171,618).

The average headcount of staff during the year was as follows:

	2021	2020
	No.	No.
Gallery	14	14
Learning	3	3
Support	6	6
Total	23	23

A high proportion of the RWA's staff are part-time.

ROYAL WEST OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2021

8 Analysis of expenditure

	Direct costs	Support costs	Total	Total
	£	£	2021	2020
			£	£
On raising funds				
Fundraising costs including investment management fees	73,870	-	73,870	69,384
Other trading costs	11,385	-	11,385	47,379
	85,255	-	85,255	116,763
On charitable activities				
Exhibitions, events and related activities	214,272	256,720	470,992	534,609
Drawing school and Learning activities	161,042	26,875	187,917	161,059
Development phase – L & I project	-	-	-	182,660
	375,314	283,595	658,909	878,328
Total expenditure	460,569	283,595	744,164	995,091

The comparative data for this note can be found in note 22.

9 Analysis and allocation of support costs

Support costs:	Staff	General Office	Total	Total
	£	£	2021	2020
			£	£
Raising funds	-	3,160	3,160	3,102
Charitable activities				
Exhibitions	111,712	137,746	249,458	276,443
Drawing School and learning activities	12,412	14,007	26,419	29,670
	124,124	154,913	279,037	309,215

Staff costs have been apportioned on the basis of the estimated time spent on the various activities and the estimated use of other resources.

Support costs in respect of charitable activities include governance costs totalling £6,763 (2020 - £7,169).

The comparative data for this note can be found in note 23.

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

10 Tangible fixed assets	Freehold property £	Furniture and equipment £	Total £
Cost			
At 1 July 2020	4,570,000	202,745	4,772,745
Additions for year	341,568	7,986	349,554
Disposals	-	(75,696)	(75,696)
At 30 June 2021	<u>4,911,568</u>	<u>135,035</u>	<u>5,046,603</u>
Depreciation			
At 1 July 2020	-	174,524	174,524
Disposals	-	(75,696)	(75,696)
Charge for the year	-	13,034	13,034
At 30 June 2021	<u>-</u>	<u>111,862</u>	<u>111,862</u>
Net book value			
At 30 June 2021	<u>4,911,568</u>	<u>23,173</u>	<u>4,934,741</u>
At 30 June 2020	<u>4,570,000</u>	<u>28,221</u>	<u>4,598,221</u>

Freehold property as at 1 July 2020 is stated at a depreciated replacement cost of £4,570,000 based on a valuation carried out by Alder King, Property Consultants, as at 30 June 2014. This amount includes £870,000 in respect of land originally endowed in 1852 to the Bristol Academy for the Promotion of Fine Arts, the forerunner of the RWA. The additions for the property for the year reflect the costs incurred to date as part of the capital project. Depreciation will commence when the project has been completed.

The Trustees of the National Heritage Memorial Fund hold a legal charge (to a maximum of £1,723,600 plus costs) over the freehold property in respect of their financial contribution to the RWA Light and Inspiration project (£1,373,600 dated 2nd November 2020) and the RWA Appeal (£350,000).

11 Investments	2021 £	2020 £
Unlisted investments	1	1
Listed investments	503,505	709,168
Cash investments	290,356	3,821
	<u>793,862</u>	<u>712,990</u>
Listed investments		
Market value at 1 July 2020	709,168	731,828
Additions at cost	40,561	172,696
Disposal proceeds	(333,378)	(181,562)
Investment gains /(losses)	87,154	(13,794)
Market value at 30 June 2021	<u>503,505</u>	<u>709,168</u>
Historical cost	<u>364,488</u>	<u>626,692</u>

The charity has a subsidiary company called RWA Trading Limited (company number 07647695), registered in England & Wales with a share capital of £1. The company remains dormant.

ROYAL WEST OF ENGLAND ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2021

12 Heritage assets - Works of Art

As mentioned in note 1 the bulk of the Academy's permanent collection was acquired many years ago and has never been included in the RWA's balance sheet due to lack of information in relation to its original cost or value at the time of donation or bequest. In the opinion of the Trustees it would be both difficult and costly to attribute an appropriate value to the collection.

The RWA's permanent collection consists of over 1300 works of art including works on paper, oil, acrylics, sculpture, and architectural models. It comprises fine examples of portraiture, landscapes, still life, abstract and figurative work predominately by South West artists.

A small but significant group of 19th Century work relates to the period of RWA's establishment some of which were acquired by the virtue of the Sharples bequest in 1849. A recent requirement that all newly elected RWA Academicians must donate a diploma work to the collection adds a continuing contemporary element to the collection.

Whilst no expenditure was incurred on additions to the collection in either 2021 or 2020, a number of diploma works were donated to the Academy.

Works of art of particular importance

The most substantial group of around 900 works bought since 1941 includes significant works by major 20th Century artists including Vanessa Bell, Duncan Grant, Dod Procter, Gilbert Spencer, Carel Weight, Mary Fedden, Julian Trevelyan and Anne Redpath. This is an important body of work by a range of artists with close connections with Bristol and the West of England post-1941 and includes paintings, drawings, prints and sculpture.

Preservation and management

Environmental conditions within the permanent collection store are continually monitored to ensure that the works are kept at temperature and humidity levels based on museum working practice.

An assessment of remedial conservation requirements has been undertaken and a number of works have been subject to remedial and preventive conservation work covered by funding from the Heritage Lottery Fund and the Association of Independent Museums.

The RWA maintains a register of accessions, movements and de-accessions for the permanent collection.

13	Stocks	2021	2020
		£	£
	Gift shop stock, including books, catalogues and prints	9,985	12,781
14	Debtors	2021	2020
		£	£
	Trade debtors	5,433	3,046
	Other debtors	317	287
	Prepayments and accrued income	64,019	57,162
		69,769	60,495
15	Creditors: Amounts falling due within 1 year	2021	2020
		£	£
	Trade creditors	25,109	18,715
	Other creditors	37,020	2,404
	Taxation and social security	7,653	5,911
	Accruals and deferred income	229,672	80,388
		299,454	107,418

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

16 Reconciliation of net movement in funds to net cash flow from operating activities	2021	2020
	£	£
Net movement in funds for the year	895,134	178,744
(Gains)/losses on investments	(87,154)	13,794
Depreciation	13,034	19,470
Investment income	(13,289)	(19,688)
Decrease in stock	2,796	268
(Increase)/decrease in debtors	(9,274)	16,415
Increase/ (decrease) in creditors	192,036	(40,510)
Net cash inflow from operating activities	993,283	168,493

Analysis of changes in cash during the year	Change	2021	2020
	£	£	£
Cash at bank and in hand	663,300	992,983	329,683
Cash in the investment portfolio	286,535	290,356	3,821
	949,835	1,283,339	333,504

17 Funds	At 1 July 2020	Income	Expenditure	Transfer	Investment gains/(losses)	At 30 June 2021
	£	£	£	£	£	£
Endowment funds						
The Theresa Knowles Scholarship	17,565	-	-	-	3,456	21,021
Endowed freehold property	4,570,000	-	-	-	-	4,570,000
	4,587,565	-	-	-	3,456	4,591,021
Restricted funds						
The Mrs AA Talboys Bequest	757,583	12,203	(17,626)	-	83,698	835,858
The Theresa Knowles Scholarship	7,214	1,086	-	-	-	8,300
Other funds relating to:						
- premises and equipment	4,368	-	-	-	-	4,368
- learning	468	5,840	(5,840)	-	-	468
- business	731	-	-	-	-	731
- exhibitions	-	9,200	(9,200)	-	-	-
Emergency Funding	-	177,133	(127,133)	(50,000)	-	-
L & I capital project	92,877	787,827	(54,871)	50,000	-	875,833
	863,241	993,289	(214,670)	-	83,698	1,725,558
Unrestricted general funds	40,517	537,935	(529,494)	9,398	-	58,356
Unrestricted designated funds:						
- SGS service charge	38,929	20,920	-	(50,000)	-	9,849
- L & I closure period	76,500	-	-	40,602	-	117,102
Total funds	5,606,752	1,552,144	(744,164)	-	87,154	6,501,886

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

17 Funds (continued)

The Theresa Knowles Scholarship

This endowment fund was established to generate income for an artist to study art in Italy. The investment income arising on the fund is credited to the restricted fund in her name.

Endowed property

The endowed property comprises the RWA building, erected in 1858 as a public art gallery and art school, on land acquired for that purpose by the then Bristol Academy of Fine Art, with funds including the Ellen Sharples bequest.

Mrs AA Talboys Bequest

This restricted fund derives from a bequest by Mrs Talboys in 1918. The bequest, as subsequently amended, established an endowment fund and provided that the income should be used for the purchase of art and, in certain circumstances, for the upkeep and maintenance of the RWA and its permanent collection. During 2014 the Charity Commission concurred with a Trustees' resolution that the endowment fund be freed from the restrictions that applied to it with respect to expenditure. As a consequence the funds of the Mrs AA Talboys Bequest were classified as restricted funds. The expenditure of £17,626 in the year charged to the Mrs AA Talboys Bequest comprises £12,203 of expenditure in relation to property costs and £5,423 of investment fund management fees.

Other restricted funds

Other restricted funds relate to grants and donations received for specific purposes. Emergency funds relates to the funds raised through covid 19 schemes provided by the National Heritage Lottery Fund and Arts Council and the L & I capital project relates to income raised in respect of the project and expenditure that can not be capitalised such as expenditure relating to activities, evaluation and fundraising.

Unrestricted designated funds

There are two unrestricted designated funds. The first relates to the service charge income received from SGS, which the Trustees have determined will only be used in respect of relevant maintenance expenditure. The second fund has been created to support the organisation through its planned L & I capital project closure period in 2021-22. The comparative data for this note can be found in note 24.

18 Allocation of net assets

	Fixed Assets £	Investments £	Cash and other liabilities £	Intra fund Loan £	Total 30 June 2021 £
Endowment funds					
The Theresa Knowles Scholarship	-	21,021	-	-	21,021
Endowed freehold property	4,570,000	-	-	-	4,570,000
	4,570,000	21,021	-	-	4,591,021
Restricted funds					
The Mrs AA Talboys Bequest	-	772,840	35,018	28,000	835,858
The Theresa Knowles Scholarship	-	-	8,300	-	8,300
Other funds relating to:-					
- premises and equipment	-	-	4,368	-	4,368
- learning	-	-	468	-	468
- business	-	-	731	-	731
- L & I capital project	356,491	-	519,342	-	875,833
	356,491	772,840	568,227	28,000	1,725,558
Unrestricted general funds	8,250	1	78,105	(28,000)	58,356
Unrestricted designated funds	-	-	126,951	-	126,951
Total funds	4,934,741	793,862	773,283	-	6,501,886

As agreed with the Charity Commission an amount of £42,000 owing to The Mrs AA Talboys Bequest is being repaid over 21 years from June 2015 by annual instalments of £2,000 from the unrestricted fund, resulting in a balance of £28,000 outstanding at 30 June 2021 (2020 - £30,000). The comparative data for this note can be found in note 25.

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

18 Allocation of net assets (continued)

It is the intention of the Trustees to transfer the capital element of the Light and Inspiration project to the endowment when the project is completed.

19 Prior year comparatives

Statement of financial activities

	Note	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Income from:						
Donations and legacies	2	162,777	-	311,497	-	474,274
Charitable activities	3	597,530	-	-	-	597,530
Other trading activities	4	44,987	51,150	-	-	96,137
Investments	5	5	-	19,683	-	19,688
Total income		805,299	51,150	331,180	-	1,187,629
Expenditure on:						
Charitable activities	8	630,324	12,221	257,611	-	900,156
Raising funds	8	87,859	-	7,076	-	94,935
Total expenditure		718,183	12,221	264,687	-	995,091
(Loss) /gain on investments	11	-	-	(9,559)	(4,235)	(13,794)
Net income being net movement in funds	6	87,116	38,929	56,934	(4,235)	178,744
Transfer between funds		(76,500)	76,500	-	-	-
		10,616	115,429	56,934	(4,235)	178,744
Total funds at 1 July 2019	17	29,901	-	806,307	4,591,800	5,428,008
Total funds at 30 June 2020	17	40,517	115,429	863,241	4,587,565	5,606,752

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

20 Prior year comparatives

Donations and legacies	Unrestricted Funds £	Restricted funds £	Total funds 2020 £
<i>Donations and grants:</i>			
Patrons and Friends of the RWA	52,530	43,755	96,285
Other donations and Gift Aid	9,353	11,950	21,303
Arts Council England	-	39,687	39,687
Bristol City Council	11,400	-	11,400
National Lottery Heritage Fund	-	181,792	181,792
Light and Inspiration capital donations	-	34,313	34,313
Government Covid-19 schemes	78,702	-	78,702
<i>Sponsorship</i>	10,792	-	10,792
	162,777	311,497	474,274

21 Prior year comparatives

Investments

Investments	Unrestricted funds £	Restricted funds £	Total funds 2020 £
Dividends and other distributions	-	19,462	19,462
Bank interest	5	221	226
	5	19,683	19,688

ROYAL WEST OF ENGLAND ACADEMY
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED 30 JUNE 2021

22 Prior year comparatives

Analysis of expenditure

	Direct costs	Support costs	Total 2020
	£	£	£
On raising funds			
Fundraising costs including investment management fees	66,282	3,102	69,384
Other trading costs	47,379	-	47,379
	<u>113,661</u>	<u>3,102</u>	<u>116,763</u>
On charitable activities			
Exhibitions, events and related activities	258,167	276,442	534,609
Drawing school and Learning activities	131,388	29,671	161,059
Development phase – L & I project	182,660	-	182,660
	<u>572,215</u>	<u>306,113</u>	<u>878,328</u>
Total expenditure	<u>685,876</u>	<u>309,215</u>	<u>995,091</u>

23 Prior year comparatives

Analysis and allocation of support costs

Support costs:	Staff	General Office	Total 2020
	£	£	£
Raising funds	-	3,102	3,102
Charitable activities			
Exhibitions	112,008	164,435	276,443
Drawing School and learning activities	12,445	17,225	29,670
	<u>124,453</u>	<u>184,762</u>	<u>309,215</u>

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

24 Prior year comparatives

	1 July 2019 £	Income £	Expenditure £	Transfer £	Investment gains/(losses) £	30 June 2020 £
Endowment funds						
The Theresa Knowles Scholarship	21,800	-	-	-	(4,235)	17,565
Endowed freehold property	4,570,000	-	-	-	-	4,570,000
	4,591,800	-	-	-	(4,235)	4,587,565
Restricted funds						
The Mrs AA Talboys Bequest	786,855	18,552	(23,876)	(14,389)	(9,559)	757,583
The Theresa Knowles Scholarship	7,578	1,136	(1,500)	-	-	7,214
Other funds relating to:						
- premises and equipment	8,343	-	(3,975)	-	-	4,368
- learning	640	17,544	(17,716)	-	-	468
- business	2,891	4,000	(6,160)	-	-	731
- exhibitions	-	6,037	(6,037)	-	-	-
Emergency Funding	-	21,390	(21,390)	-	-	-
L & I capital project	-	94,310	(1,433)	-	-	92,877
L & I development phase	-	168,211	(182,600)	14,389	-	-
	806,307	331,180	(264,687)	-	(9,559)	863,241
Unrestricted general funds	29,901	805,299	(718,183)	(76,500)	-	40,517
Unrestricted designated funds:						
- SGS service charge	-	51,150	(12,221)	-	-	38,929
- L & I closure period	-	-	-	76,500	-	76,500
Total funds	5,428,008	1,187,629	(995,091)	-	(13,794)	5,606,752

ROYAL WEST OF ENGLAND ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2021

25 Prior year comparatives

	Fixed Assets £	Investments £	Cash and other liabilities £	Intra fund loan £	Total 30 June 2020 £
Endowment funds					
The Theresa Knowles Scholarship	-	17,565	-	-	17,565
Endowed freehold property	4,570,000	-	-	-	4,570,000
	4,570,000	17,565	-	-	4,587,565
Restricted funds					
The Mrs AA Talboys Bequest	-	695,424	32,159	30,000	757,583
The Theresa Knowles Scholarship	-	-	7,214	-	7,214
Other funds relating to:-					
- premises and equipment	-	-	4,368	-	4,368
- learning	-	-	468	-	468
- business	-	-	731	-	731
- L & I capital project	14,815	-	78,062	-	92,877
	14,815	695,424	123,002	30,000	863,241
Unrestricted general funds	13,406	1	57,110	(30,000)	40,517
Unrestricted designated funds	-	-	115,429	-	115,429
Total funds	4,598,221	712,990	295,541	-	5,606,752

26 Related Party transactions

There were no related party transactions.

27 Capital commitments

At the year end, there was a commitment to pay £2,456,916 in respect of the building contract with the contractor on the Light and Inspiration project (2020 - £6,450 in respect of a new website). The RWA has already received and has pledged funds from a variety of Trusts, Foundations, Corporations and individual supporters in excess of this amount.

28 Controlling party

Being a company limited by guarantee the charity is controlled by its members. The members are the directors of the company and each member's liability is limited to £1. The Board does not consider that any one member has control over the company.

The following pages are not part of the financial pages and are therefore not covered by the audit report found on pages 15-17.

ROYAL WEST OF ENGLAND ACADEMY

STAFF, ACADEMICIANS' COUNCIL AND SUPPORTERS

Staff

Director – Alison Bevan

Head of Development – Kate Foster

Head of Finance – Nicola Prosser

Head of Programme & Exhibitions Curator – Nathalie Levi

RWA Drawing School Manager – Sophie Bristol & Sarah Craig

Learning & Participation Manager – Helen Jacobs

Marketing Manager: Brand & PR – Suzanne Moon

Marketing Manager: Digital – Lois Clark

Volunteer Supervisors – Erika Larsson

Curatorial Technician – Tristan Pollard

Administrative Assistant – Olive Haigh

Facilities Manager – Ben Rowe

Front of House and Events Assistants:

Rebecca Prince, Olive Haigh, Nicola Gillam

Academics' Council

President: Fiona Robinson PRWA

Vice President: Ros Ford VPRWA

Secretary: Charlotte Price

Council Members:

Lucy Austin RWA

Leslie Glenn Damhus RWA

Dallas Collins RWA

Ian Middleton RWA

Sandra Porter RWA

Patrons**GOLD**

Linda & Russ Carr, Hon RWA
Sarah Kenny
Peter Stoppard OBE, Hon RWA

SILVER

Michael & Anne Beesley
Keith & Gill Bonham
Jill & Colin Dunmore
Lisa & Pes Freeland
Joan Hawkins
Consumer Intelligence Ltd
Timothy & Judith Lockwood Jones
Effie & Michael Romain
Geoff & Jenny Sharman
Nicole Sherwood
Sir James & Lady Tidmarsh
Charlotte Waelde
Anon

BRONZE

Nick & Tara Arkle
Yvonne Ashton
Derek Balmer PPRWA
John Bedford
Vivien & Norman Biddle Hon RWA
Nancy Chambers
Michael Clarke
Jerry & Annette Cowhig
Maria Crayton / Maddie & Tasha Burnell
Kathy Curling
Edward & Marie Cussen
Ann & Bryan Fawcett

BRONZE Cont'd

Sian Flynn
John & Heather Frenkel
Roger Gallannaugh
Tony Gordon
Professor Paul Gough RWA MA(RCA) PHD FRSA
Martin Griffiths
Clive Hetherington
Ajith Jayawickrema & Francesca Laycock
Cameron & Ros Kennedy
Ian Learner
Bina Shah & Steve Loughran
Charles & Caroline Lucas
Matthew Maneely
Harry & Laura Marshall
Bridget McCrum RWA
Chris & Cate Mitchell
Terence Mordaunt
Carole & Andrew Nicholls
Andrew & Anne Nisbet
Sir David & Lady Ord
Mary & John Prior
Simon Quadrat PPRWA
Dee Smart, Hon RWA
Professor Derek Smith
Gill & Guy Stobart
Georgia Tivadar
John & Kimberly Vasey
Peter & Helen Wilde
Joanna & Charles Wyld
Andrew & Rosemarie Yates
Anon

Supporting Trusts, Foundations and other organisations:

Arts Council England

Bristol City Council
DAC Beachcroft
Joan Hawkins Fund
Nicholls Stevens
Quartet Community Foundation
Smith & Williamson

The Friends of the RWA
The Lark Trust