

**THE SERPENTINE TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT AND ACCOUNTS**

**31 MARCH 2001**

**HORWATH  
CLARK WHITEHILL**  
*Chartered Accountants*

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COMPANIES HOUSE

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0226  
31/01/02

**THE SERPENTINE TRUST**  
**COMPANY INFORMATION**

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<b>REGISTERED OFFICE</b>	Kensington Gardens London W2 3XA
<b>REGISTERED CHARITY NUMBER</b>	298809
<b>COMPANY REGISTRATION NUMBER</b>	2150221
<b>GOVERNING DOCUMENT</b>	Memorandum and Articles of Association
<b>COMPANY SECRETARY</b>	Sisec Limited
<b>AUDITORS</b>	Horwath Clark Whitehill 25 New Street Square London EC4A 3LN
<b>BANKERS</b>	Coutts & Co Media Banking 440 Strand London WC2R 0QS
<b>SOLICITORS</b>	Lovells 65 Holborn Viaduct London EC1A 2DY

**THE SERPENTINE TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**DIRECTORS AND TRUSTEES OF THE SERPENTINE GALLERY**

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Lord Palumbo                      - Chairman

Barry Townsley                  - Co Vice Chairman

Felicity Waley-Cohen          - Co Vice Chairman

Marcus Boyle                    - Treasurer

Patricia Bickers

Michael Bloomberg

Roger Bramble

Marco Compagnoni (appointed 12 October 2000)

David Fletcher

Zaha Hadid

Isaac Julien

Jonathan Mendelow (resigned 16 August 2000)

Joan Smith

Colin Tweedy

**THE SERPENTINE TRUST**  
**STAFF OF THE SERPENTINE GALLERY**  
**AT 31 MARCH 2001**

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Julia Peyton-Jones	Director
Vivien Ashley	Head of Education *
Luis Gonzaga Barreira Bras	Gallery Assistant*
Anna Barriball	Press Assistant*
Victoria Bickell	Gallery Assistant*
Achim Borchardt-Hume	Exhibition Organiser
Jane Burke	Gallery Assistant*
Jeanette Cleary	Gallery Assistant*
Lisa Corrin	Chief Curator
Claire Cousins	Gallery Assistant*
Stephen Crampton-Hayward	Finance Officer
Rose Dempsey	Press and Publicity Officer
Kerry Duggan	Gallery Assistant*
Mark Failles	Head of Finance
Andy Fisher	Education Co-ordinator
Michael Gaughan	Gallery Manager
Mark Harris	Gallery Assistant and Technician*
Kevin Heavey	Gallery Assistant*
Nicola Holloway	Gallery Assistant*
Leigh Markopoulos	Exhibition Organiser
Wendy Lothian	Assistant to the Director
Caroline McCarthy	Gallery Assistant*
Lousie McKinney	Development Officer
Charlotte Newman	Gallery Assistant*
Ruth Northey	Assistant Bookshop Manager
Annie Pender	Gallery Assistant*
Varind Ramful	Gallery Assistant*
Natasha Roach	Events Co-ordinator
Mark Robinson	Building Manager
Juliet Russell	Education Assistant
Rory Snookes	Gallery Assistant and Technician*
Vicky Steer	Gallery Assistant *
Ib Vinbjerg	Gallery Assistant*
Sam Wood	Gallery Assistant*
* Part-time staff	

**THE SERPENTINE TRUST  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2001**

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The directors, who are also the trustees, present their report and the accounts for the year ended 31 March 2001.

**PRINCIPAL ACTIVITIES**

The company was established to take over the running of the Serpentine Gallery from the Arts Council of Great Britain and the Gallery's main aim is to promote and hold exhibitions of modern and contemporary art. The Serpentine Trust is a registered charity, set up under its Memorandum and Articles of Association.

The core of the Serpentine's activities is its Exhibition and Education Programmes as well as the specialist art and theory Bookshop. Although the focus of the Gallery's activities will not change, on an annual ongoing basis the organisation's challenge is to meet the high standards it sets itself across the board as well as to develop the ambition and range of its core activities. These objectives proceed in tandem with the fundraising initiatives that are essential to ensure the Serpentine achieves a balanced year-end budget that is the remit set by the Gallery's Trustees as well as its staff. The flair, energy and experience of the Serpentine's Board and staff will be fully harnessed to meet the Gallery's vision and to continue to develop the organisation in a way that builds on the Serpentine's past successes and to increase both existing and new audience's interest in the Gallery's work. There have been no material changes in the policies adopted to further the objects of the charity.

**SERPENTINE GALLERY ANNUAL REVIEW 2000/2001**

**Artistic**

During the Millennium – which marked its 30<sup>th</sup> Anniversary – the Serpentine Gallery's Exhibition Programme was particularly ambitious, reflecting its intention to extend both its working practices and its audiences through a programme underpinned by three primary concerns. These were: to maximise the unique potential of the Gallery's location in Kensington Gardens; to extend the work of the Gallery beyond the Serpentine by working collaboratively with other organisations; and to underline the central importance of education in all its activities.

**Exhibitions**

**The Greenhouse Effect**

4 April – 21 May 2000

Sponsored by BMW Financial Services Group

*In a superb new show, artists strive to capture the beauty, mystery and complexity of nature... an extraordinary exhibition ... Superbly shown in one of the most ambitious installations ever seen at the Serpentine, The Greenhouse Effect is even better on a second visit.* The Daily Telegraph

This international group exhibition explored the ways in which young artists, many of whom were showing their work in the UK for the first time, are reinterpreting the classical subject of nature in art. The artists featured were Rachel Berwick (USA), Michel Blazy (France), Mat Collishaw (UK), Mark Dion (USA), Olafur Eliasson (Denmark), Cerith Wyn Evans (UK), Tom Friedman (US), Anya Gallaccio (UK), Rodney Graham (Canada), Henrik Håkansson (Sweden), Tim Hawkinson (US), Nina Katchadourian (USA), Tony Matelli (USA), Roxy Paine (USA), Yoshihiro Suda (Japan) and Yutaka Sone (Japan). The Greenhouse Effect was co-curated by Ralph Rugoff, independent curator and critic and Lisa Corrin, Chief Curator, Serpentine Gallery.

**THE SERPENTINE TRUST**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2001**

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**Felix Gonzalez-Torres**

1 June - 16 July 2000

Sponsored by Bloomberg

*The superb exhibition of his work at the Serpentine Gallery... brought a lump to my throat.* The Daily Telegraph

*The Serpentine has never looked better, filled with these bright, delicate, minimal works.*  
The Observer

On the occasion of its 30<sup>th</sup> anniversary Gala celebrations, the Serpentine Gallery presented the first major exhibition in Britain of the Cuban-born American artist Felix Gonzalez-Torres. Gonzalez-Torres is widely recognised as being one of the most important artists of the late twentieth century. The exhibition included examples of his work in sculpture, installation, photography, and publicly sited art. This exhibition was presented at both the Serpentine Gallery and in satellite sites including the Chelsea-Westminster Hospital, the London Underground and the Camden Art Centre, amongst others.

**Shirin Neshat**

28 July – 3 September 2000

Supported by Mackie Designs UK

*Spine tinglingly powerful.* Evening Standard

*I LEFT THIS SHOW FILLED WITH EMOTION.* THE GUARDIAN

Working in photography and video installation, Shirin Neshat's art refers to the social, cultural and religious codes of Muslim societies in general and Iranian society in particular. This exhibition presented Neshat's major trilogy *Turbulent* (1998), *Rapture* (1999) and *Fervor* (2000) for the first time in London at a time of enormous social transformation in Iran, her native country. It also included a selection of photographs from her seminal series *Women of Allah* (1993-7).

**Gillian Wearing**

16 September – 29 October 2000

Sponsored by Selfridges&Co

In association with The Observer

*This absorbing show is unafraid to focus on the most disturbing aspects of life.* The Times

The 1997 Turner Prize winner Gillian Wearing uses photography and video to explore the intimacies and complexities of human relationships. Drawing on the genre of television documentaries and borrowing from popular culture, her art is a disturbing and frank portrayal of contemporary Britain. This was Wearing's first major one-person exhibition in a public gallery in London and featured well-known early works as well as recent and new video installations including *Drunk* (1999) and *Trauma* (2000), both of which were seen in the UK for the first time.

**THE SERPENTINE TRUST**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2001**

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**Brice Marden**

17 November 2000 – 7 January 2001

Supported by Edwin C. Cohen and the Blessing Way Foundation

Sponsored by Gap Inc

*In association with The Daily Telegraph*

*A new show of Brice Marden's abstracts includes one of post-war America's most beautiful paintings, ... one look and you feel you could look for ever, ... a truly profound aesthetic experience. The Daily Telegraph*

The American abstract painter Brice Marden first received critical acclaim in the 1960s and 1970s and is now considered to be one of the finest artists of his generation. This exhibition consisted of eighteen paintings as well as works on paper from the 1990s, and presented for the first time the *Attendant* series, the artist's most recently completed paintings and related works. This was the first major presentation of Marden's work in a public Gallery in the UK since the Whitechapel Art Gallery's 1981 exhibition.

**Give & Take 1 Exhibition 2 Sites**

30 January – 1 April 2001

Hans Haacke: An Artist selects objects from the V&A's collections

V&A: Works by 15 Contemporary Artists

Supported by Edwin C. Cohen and the Blessing Way Foundation

Sponsored by Omnicolour

*In association with Time Out*

*The Serpentine, in fact, has got itself the makings of a blockbuster. The Observer*

*Give & Take* was an innovative exhibition organised by the Serpentine Gallery, in collaboration with the Victoria and Albert Museum, one of the world's greatest fine and decorative arts museums. Presented concurrently at both institutions, the exhibition provided a unique opportunity to experience unexpected connections between contemporary art and art of the past. At the Serpentine Gallery, the renowned German conceptual artist, Hans Haacke, created a work which filled the entire Gallery using objects selected solely from the V&A's collections. At the V&A, an international group of contemporary artists presented their work in galleries throughout the museum. Many of these works were seen in the UK for the first time.

**Education**

2000/01 saw the Serpentine continue to strengthen and expand its education programme, developing new links with community groups and schools for children and adults with special needs. It has also witnessed a considerable increase in community and adult education groups visiting the Gallery.

The Serpentine's core education programme continued to gather new audiences in 2000/01 with the public gallery talks attracting over 4,000 people. The Gallery maintained and developed the accessibility of these talks by arranging a series of special tours to satellite sites and offering British Sign Language interpreted talks to visitors who are deaf or hard of hearing.

As part of its strategy for marketing educational events to the deaf community the Education Department worked closely with Oak Lodge School and Frank Barnes School for the Deaf. The Department also organised two successful two-day Gallery workshops for the Asian Deaf Woman's Association during the *Gillian Wearing* and *Shirin Neshat* exhibitions.

**THE SERPENTINE TRUST**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2001**

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The Summer School continued to be popular with 'A' level students from inner-London schools who, working with artists Marion Coutts and Frederique Descombes, participated in an intensive eight-day series of workshops inspired by the work of Felix Gonzalez-Torres.

In addition to the extensive range of regular education activities in the Serpentine's core programme the Education Department organised another successful series of special projects held within the Gallery and in the community. In May 2000 the Serpentine extended its outreach activities with the homeless, asylum seekers and refugees by further developing its relationship with Look Ahead Housing Care's hostels across London. The initial pilot project in May developed into a six-week artists' residency in August and September involving 55 temporary young hostel residents between 18-35 years old. The project culminated in a large-scale installation which filled a prominent public façade within the busy central London shopping centre, Whiteley's. Over the week-long exhibition more than 10,000 people viewed the participants' work and the exhibition attracted local media attention.

In 2000, the Education Department further developed its links with HMP Pentonville by organising an ambitious eight-week artists-in-residence project held in the prison. Twelve ethnically diverse inmates participated in a series of artist-led practical workshops which took the exhibition of the Cuban-born conceptual artist Felix Gonzalez-Torres as its initial focus. At the end of the project the group selected four images from their work to be printed. 7,000 A3 copies were distributed inside the prison and in the surrounding community. The inmates' work was also showcased in October at the Arthur Koestler Foundation's annual London-based exhibition which presents works created in prisons across Britain.

As part of the Gallery's commitment to on-going, long-term relationships the Education Department continued to strengthen and develop its programme of workshops with organisations such as the Leonard Cheshire Disability Resource Centre.

#### **Finance**

2000/01 saw the most ambitious programme of activities undertaken by the Gallery which was reflected in an increase in expenditure on direct activities of £161,426, a 15% increase on the previous year. The indirect management and administration costs of the Gallery also increased by £29,066, due to an increase in staffing costs resulting from a major salary review across the organisation. However the challenge of funding such ambition was successfully met both through increased revenue funding from both London Arts and City of Westminster Council and by the fundraising efforts of the Serpentine itself. The Gallery continued to attract significant sponsorship and donations towards its programme of activities with an increase of £254,170 (+52%) on the previous financial year. The Serpentine was also fortunate in being able to attract sponsorship for all but one of its exhibitions. The positive relationship the Gallery has with the commercial sector was also reflected in a continued expansion of gallery hire (+51%) and the launch of a new corporate benefactors scheme. Sales of exhibition merchandise continued to do well helping to cover increased exhibition expenditure. To mark its 30<sup>th</sup> anniversary the Serpentine undertook its most ambitious and successful fundraising event to date with the proceeds from the Gala Dinner going to both the Gallery and United Kingdom Children's Cancer Study Group. The contribution from the Gala Dinner and other fundraising events during the year helped the Gallery to eliminate the remainder of the deficit it carried from the renovation of the Serpentine.

The Serpentine continued to maintain its target of not having a deficit at the year end and to ensure that its reserves were at an adequate level to safeguard the Gallery's activities in the future.

The Trustees are satisfied that the assets are adequate to fulfil the charity's obligations.



**THE SERPENTINE TRUST**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2001**

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**Bookshop**

Exhibition merchandise continued to sell well with catalogues, guides and artists' prints securing income to support the Galleries activities. Especially successful was a limited edition print by Brice Marden which raised over £63,000 and a special series of 30<sup>th</sup> anniversary prints which netted over £25,000.

The non-exhibition sales improved on last year's disappointing figures with turnover increasing by 14%, with significant increases in book sales through both the shop and mailorder.

**Attendance**

The total attendance at the Gallery during 2000/01 was 331,606 with a daily average of 1,164.

**Staffing**

After over 8 years at the Serpentine, Ben Hillwood-Harris left the Gallery in November 2000 to set up his own independent art bookshop, Artwords. Jackie McNerney, Head of Finance & Administration, also left the Gallery after 7 years to become General Manager at the Lyric Theatre. The role of Head of Finance & Administration was subsequently restructured and split into two Departmental Heads with Mark Failles joining the Gallery in November 2000 as the new Head of Finance. Sara Ley, Assistant Bookshop Manager and Finance Assistant, left to become Store Manager at Creativebase and was replaced in the bookshop by Ruth Northey. Kathy Stephenson, Head of Development & Press, left in February 2001 to join the Victoria Miro Gallery as Press Officer. Also in the Development Department Clare Oliver left the Gallery to live in Ireland and was replaced by Louise McKinney as Development Officer. Andy Shiel, Duty Manager, took up a position at Tate Britain and was replaced by Vicky Steer and Rory Snookes as a job share.

**Trustees**

Jonathan Mendelow resigned in August 2000 and Marco Compagnoni, a Partner at Lovells, was appointed in October 2000.

**Reserves**

The Trustees consider it prudent to retain an adequate level of funds in order to protect the Serpentine Gallery's current activities and to ensure that it continues to operate on a going concern basis. The current retained balance is disclosed as general and designated funds.

**Renovation**

The success of the Gala Dinner fundraising event allowed the Gallery to remove the renovation deficit brought forward into 2000/01.

**THE SERPENTINE TRUST  
FOR THE YEAR ENDED 31 MARCH 2001  
DIRECTORS' REPORT**

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of the company's affairs at the year end and of the surplus or deficit of the company for that period. In preparing those accounts the directors are required to:

Select suitable accounting policies and then apply them consistently.

Make judgements and estimates that are reasonable and prudent.

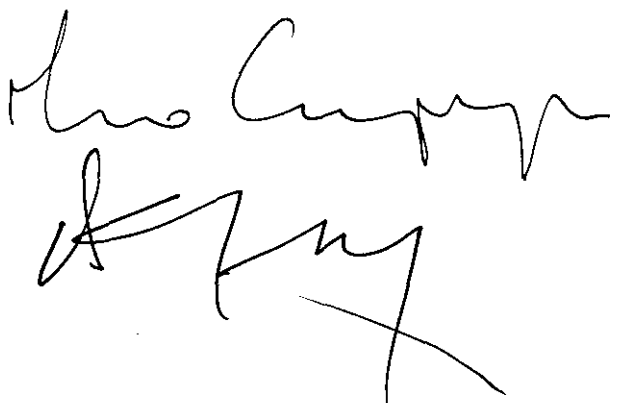
State whether applicable standards have been followed, subject to any material departures disclosed and explained in the accounts.

Prepare the accounts on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Board on 13 December 2001.

Trustee

Two handwritten signatures in black ink. The top signature is a cursive script, and the bottom signature is a more stylized, angular script.

**HORWATH  
CLARK WHITEHILL**

*Chartered Accountants*

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DX 0014 London Chancery Lane

**AUDITORS' REPORT  
TO THE MEMBERS OF  
THE SERPENTINE TRUST**



We have audited the accounts on pages 11 to 24 which have been prepared under the accounting policies set out on pages 15 and 16.

**Respective Responsibilities of Directors and Auditors**

As described on page 9 the directors (who also act as trustees for the charitable activities of the company) are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

**Basis of Opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the accounts.

**Unqualified Opinion**

In our opinion, the accounts give a true and fair view of the charitable company's state of affairs at 31 March 2001 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

14 December 2001

A handwritten signature in black ink, appearing to read 'Horwath Clark Whitehill'.

Chartered Accountants  
and Registered Auditors

**THE SERPENTINE TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2001**

	Notes	Unrestricted General Fund £	Designated Funds £	Restricted Funds £	Endowment Fund £	Total 2001 £	Total 2000 £
<b>INCOME &amp; EXPENDITURE</b>							
<b>Incoming Resources</b>							
Grants	3	464,320	-	87,719	-	552,039	521,640
Donations and sponsorship	4	644,939	-	101,006	-	745,945	491,775
Bookshop and publications		461,889	-	-	-	461,889	551,726
Other exhibition income		50,523	-	180	-	50,703	8,503
Gallery hire		124,961	-	-	-	124,961	82,822
Interest		28,301	-	13,471	-	41,772	28,270
Special fundraising events		693,745	-	-	-	693,745	148,190
<b>Total Incoming Resources</b>		<b>2,468,678</b>	<b>-</b>	<b>202,376</b>	<b>-</b>	<b>2,671,054</b>	<b>1,832,926</b>
<b>Resources Expended</b>							
Direct charitable expenditure:							
Exhibitions and related costs	5	1,070,256	-	176,325	-	1,246,581	1,085,155
Bookshop costs	7	241,416	-	-	-	241,416	238,730
Depreciation		-	-	356,106	-	356,106	397,039
		<b>1,311,672</b>	<b>-</b>	<b>532,431</b>	<b>-</b>	<b>1,844,103</b>	<b>1,720,924</b>
Other expenditure:							
Fundraising and general publicity costs	7	667,973	-	-	-	667,973	200,578
Management and administration of the charity+	6	155,252	-	-	-	155,252	126,186
		<b>823,225</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>823,225</b>	<b>326,764</b>
<b>Total Resources Expended</b>		<b>2,134,897</b>	<b>-</b>	<b>532,431</b>	<b>-</b>	<b>2,667,328</b>	<b>2,047,688</b>
<b>Net Movement In Funds Before Transfers</b>							
		333,781		(330,055)	-	3,726	(214,762)
Transfer Between Funds	17	(331,311)	202,120	129,191	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>2,470</b>	<b>202,120</b>	<b>(200,864)</b>	<b>-</b>	<b>3,726</b>	<b>(214,762)</b>
Fund balances brought forward at 1 April 2000							
		69,702	-	2,978,562	205,900	3,254,164	3,468,926
<b>Fund balances carried forward at 31 March 2001</b>		<b>72,172</b>	<b>202,120</b>	<b>2,777,698</b>	<b>205,900</b>	<b>3,257,890</b>	<b>3,254,164</b>

The Statement of Financial Activities contains all the gains and losses recognised in the current and preceding year.

The notes on pages 15 to 24 form part of these accounts.

**THE SERPENTINE TRUST**  
**SUMMARY INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2001**

	2001 £	2000 £
Gross income of continuing operations	<u>2,671,054</u>	<u>1,832,926</u>
Total expenditure of continuing operations	<u>2,667,328</u>	<u>2,047,688</u>
Net expense for the year	<u>3,726</u>	<u>(214,762)</u>

Total income comprises £2,468,678 (2000: £1,615,153) unrestricted funds and £202,376 (2000: £217,773) for restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities.

Detailed analyses of the expenditure are provided in the Statement of Financial Activities and Notes 5, 7 and 8.

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 11, which together with the notes to the accounts on page 15 to 24 provides full information on the movements during the year on all the funds of the company.

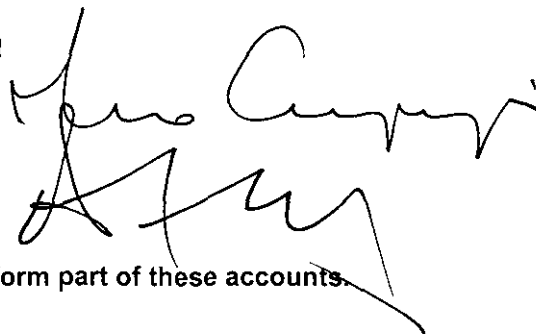
**The notes on pages 15 to 24 form part of these accounts**

**THE SERPENTINE TRUST**  
**BALANCE SHEET**  
**31 MARCH 2001**

	Notes	£	2001 £	2000 £
<b>FIXED ASSETS</b>				
Tangible assets	13		<b>2,649,043</b>	<u>3,009,289</u>
<b>CURRENT ASSETS</b>				
Stocks	14	73,841		80,694
Debtors and prepayments	15	162,475		268,728
Cash at bank and in hand		<u>640,010</u>		<u>379,781</u>
		<b>876,326</b>		729,203
<b>CREDITORS:</b> amounts falling due within one year	16	<u>276,479</u>		<u>484,328</u>
<b>NET CURRENT ASSETS</b>			<u>608,847</u>	<u>244,875</u>
<b>NET ASSETS</b>			<u>3,257,890</u>	<u>3,254,164</u>
<b>RESERVES</b>				
<b>Unrestricted Funds</b>				
General Fund		72,172		69,702
		<u>202,120</u>		<u>-</u>
			<b>274,292</b>	69,702
<b>Restricted Funds</b>				
Refurbishment Fund		2,632,574		2,840,255
Art Equalisation Fund		<u>145,124</u>		<u>138,307</u>
			<u>2,777,698</u>	<u>2,978,562</u>
			<b>3,051,990</b>	3,048,264
Endowment Funds			<u>205,900</u>	<u>205,900</u>
	17&18		<u>3,257,890</u>	<u>3,254,164</u>

Approved by the Board on 13 December 2001  
and signed on its behalf by:

} Directors



The notes on pages 15 to 24 form part of these accounts.

**THE SERPENTINE TRUST**  
**ANALYSIS OF FUNDS**  
**31 MARCH 2001**

	2001 £	2000 £
<b>RESTRICTED FUNDS</b>		
Refurbishment Funds	2,632,574	2,840,255
Art Equalisation Fund	<u>145,124</u>	<u>138,307</u>
	<u><b>2,777,698</b></u>	<u><b>2,978,562</b></u>

These are funds which have been donated to the Serpentine Trust for specific purposes and are not available for use for the general running of the charity.

	£	£
<b>ENDOWMENT FUNDS</b>	<u><b>205,900</b></u>	<u><b>205,900</b></u>

This is a fund where the income from investing the capital fund is to be used for the activities of the trust but the capital must be maintained.

	£	£
<b>UNRESTRICTED FUND</b>		
General Fund	72,172	69,702
Designated Fund	<u>202,120</u>	<u>-</u>
	<u><b>274,292</b></u>	<u><b>69,702</b></u>

The General Fund is available for the general running costs for the organisation.

The Designated Fund has been established to meet the future needs of capital maintenance and replacement of the Serpentine Trusts tangible assets.

The Serpentine Trust began the renovation of the Gallery in September 1996 and reopened to the public on 28 February 1998. The Refurbishment Fund is the net amount of income, less expenditure including depreciation, received for the renovation of the Serpentine Gallery as at 31 March 2001 and is a restricted fund.

The Art Equalisation Fund is in respect of funds received from the Arts Council of England, and it is only available to fund specific events and not to meet routine expenditure. Hence this is a restricted fund.

The Endowment Funds represent anonymous donations given to the Serpentine Trust for its activities. Only the interest can be used.

The Art Equalisation Fund is held as cash at bank. The Endowment Fund is currently held on short term deposit in accordance with the donors wishes.

**THE SERPENTINE TRUST  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2001**

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**1. PRINCIPAL ACCOUNTING POLICIES**

**a) Basis of Accounting**

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention, and in accordance with the Statement of Recommended Practice, Accounting by Charities.

**b) Income**

Income including donations, legacies, and grants, is accounted for on a receivable basis, except for refurbishment fund income, which is only taken into account when received.

**c) Expenditure**

Charitable expenditure and support costs comprise direct charitable expenditure including direct staff costs attributable to the activity. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources. Fundraising and publicity costs are those incurred in seeking voluntary contributions for the Serpentine, and in publicising the Gallery in general terms. Management and administration costs are those incurred in connection with the management of the Gallery's assets, organisational administration and compliance with constitutional and statutory requirements.

**d) Fund accounting**

The General Unrestricted Fund is available for use at the discretion of the Trustees in furtherance of the general objectives of the Gallery.

Restricted funds are subject to specific restriction imposed by donors or by the purpose of the appeal. The Refurbishment and Art Equalisation Funds are restricted funds.

The Endowment Funds are permanent endowment funds, ie the donors have stated that the funds are to be held as capital and only the interest may be spent.

**e) Bookshop Sales and Commission**

Bookshop sales and commission are stated net of VAT.



**THE SERPENTINE TRUST**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2001**

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**1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)**

**f) Depreciation and Amortisation**

Expenditure of a capital nature is capitalised and amortised over its estimated useful life. A full year's depreciation charge is made in the year of purchase. Current estimated useful lives for the major categories of fixed assets are:

Furniture and equipment - 4 years

Building Renovation- over the remaining period of the licence.  
The current 15 year licence runs from 1994 to 2009.

Building improvements - 4 years.

**g) Stock**

All stocks are valued at the lower of cost and net realisable value.

**h) Taxation**

The company is a registered charity and is not liable to UK Corporation tax.

**i) Costs of Exhibitions**

All exhibition costs are taken to the income and expenditure account in the year in which the exhibition opens. In cases where the exhibition spans over the period of one year, the costs are allocated to the year in which the maximum exhibition days fall. If an exhibition tour organised by the Serpentine Gallery continues into the next financial year, income and expenditure specifically relating to the tour will be allocated to the next year.

**j) Operating Leases**

Rentals under operating leases are charged to the income and expenditure account as incurred.

**2. LIABILITY OF THE MEMBERS**

The Company is limited by guarantee. The maximum liability of each member, in the event of the company winding up due to insufficient funds is £1. The company had 13 members as at 31 March 2001 all of whom were directors.

**THE SERPENTINE TRUST**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2001**

**3. GRANTS FOR SPECIAL ACTIVITIES AND REVENUE GRANTS**

The following grants were awarded to the Gallery during 1999/2000 and exclusively applied to the following projects:

**GRANTS (RESTRICTED)**

<b>Project</b>	<b>Grant from</b>	<b>£</b>	<b>£</b>
Gillian Wearing	Arts Council of England National Touring Programme	20,000	
Give & Take	Arts Council of England	15,000	
Renovation publication	Arts Council of England Visual	<u>2,400</u>	
Total Arts Council Project Grants		<u>37,400</u>	
Give & Take	London Arts London Calling	15,000	
Building maintenance	London Arts Grant	10,000	
Staffing costs	London Arts Grant	15,000	
Arts & The Learning City	London Arts Life Long Learning	<u>10,000</u>	
Total London Arts grants for special activities		<u>50,000</u>	
Histories – Art, Identity & Culture	City of Westminster	<u>319</u>	
Total City of Westminster grants for special activities		<u>319</u>	
Total Restricted Grants			<u>87,719</u>

**GRANT (UNRESTRICTED)**

The following revenue grants were received for the year 2000/2001

London Arts	424,320
City of Westminster	<u>40,000</u>
Total unrestricted grants	<u>464,320</u>
<b>TOTAL GRANTS</b>	<b><u>552,039</u></b>

**THE SERPENTINE TRUST**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2001**

**4. SPONSORSHIP AND DONATIONS**

The following sponsorship was received during the year.

<b>Exhibition</b>	<b>Sponsored by</b>	<b>£</b>	<b>£</b>
The Greenhouse Effect	BMW Financial Services Group	80,000	
Felix Gonzales-Torres	Bloomberg	105,000	
Gillian Wearing	Selfridges	18,200	
Brice Marden	Gap Inc.	15,611	
	AXA Nordstern	5,000	
Give & Take	Omnicolour	15,000	
	Agnes B	9,701	
Total sponsorship			<b>248,512</b>

**Other donations (restricted)**

<b>Project</b>	<b>Received from</b>	<b>£</b>	<b>£</b>
The Greenhouse Effect	The Henry Moore Foundation	10,000	
	AFFA	3,362	
Felix Gonzalez-Torres	Jumex Foundation	13,219	
Shirin Neshat	The Henry Moore Foundation	7,500	
Gillian Wearing	The Henry Moore Foundation	5,000	
	The Elephant Trust	2,000	
Brice Marden	Daros Foundation	10,000	
Give & Take	The Henry Moore Foundation	8,000	
	Visiting Arts	3,500	
	IFA	3,800	
Education	Woo Foundation	12,000	
	The Arthur Anderson Foundation	15,000	
	The Paul Hamlyn Foundation	5,625	
	The Goldsmiths' Company	1,000	
	The Mercers' Company	1,000	
Total restricted donations			<b>101,006</b>

**Other donations (unrestricted)**

Brice Marden	Individual donations	113,183
Gillian Wearing	Individual donations	30,487
Give & Take	Individual donations	82,163
Education	General donations	1,000

Total unrestricted donations	<b>226,833</b>
Benefactors	<b>57,537</b>
General donations	<b>112,057</b>
<b>TOTAL SPONSORSHIP AND DONATIONS</b>	<b>745,945</b>

**THE SERPENTINE TRUST**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2001**

<b>5. EXHIBITIONS AND RELATED COSTS</b>	Unrestricted	Restricted	<b>2001</b>	<b>2000</b>
	£	£	<b>Total</b>	<b>Total</b>
			£	£
Transport	232,295	-	<b>232,295</b>	93,136
Organising costs	484,351	116,381	<b>600,732</b>	521,332
Security	104,877	-	<b>104,877</b>	89,122
Insurance costs	3,852	-	<b>3,852</b>	4,841
Catalogues and merchandise	131,832	-	<b>131,832</b>	186,056
Printing material and publicity costs	68,720	-	<b>68,720</b>	93,303
Education	36,460	59,944	<b>96,404</b>	84,752
Research and development	6,503	-	<b>6,503</b>	6,209
Irrecoverable VAT	1,366	-	<b>1,366</b>	1,404
	<u>1,070,256</u>	<u>176,325</u>	<u><b>1,246,581</b></u>	<u><b>1,085,155</b></u>

<b>6. MANAGEMENT AND ADMINISTRATION COSTS</b>	Unrestricted	Restricted	<b>2001</b>	<b>2000</b>
	£	£	<b>Total</b>	<b>Total</b>
			£	£
Salaries	116,513	-	<b>116,513</b>	79,711
Establishment	15,218	-	<b>15,218</b>	14,378
Office administration	7,331	-	<b>7,331</b>	7,772
Travel and entertainment	1,071	-	<b>1,071</b>	796
Staff training, recruitment and welfare	2,769	-	<b>2,769</b>	1,897
Depreciation	1,431	-	<b>1,431</b>	1,274
Professional fees	8,698	-	<b>8,698</b>	15,846
Sundry expenses	2,221	-	<b>2,221</b>	2,619
Irrecoverable VAT	-	-	<b>-</b>	1,893
	<u>155,252</u>	<u>-</u>	<u><b>155,252</b></u>	<u><b>126,186</b></u>

**7. TOTAL RESOURCES EXPENDED**

	Staff cost	Support & overheads	Other costs	<b>2001</b>	<b>2000</b>
	£	£	£	<b>Total</b>	<b>Total</b>
				£	£
Exhibitions	340,545	82,688	726,944	<b>1,150,177</b>	998,999
Education	47,314	10,754	38,336	<b>96,404</b>	86,156
Sub-total	<u>387,859</u>	<u>93,442</u>	<u>765,280</u>	<u><b>1,246,581</b></u>	<u><b>1,085,155</b></u>
Bookshop	51,292	18,026	172,098	<b>241,416</b>	238,730
Depreciation	-	-	356,106	<b>356,106</b>	397,039
Fundraising	97,121	18,660	552,192	<b>667,973</b>	200,578
Administration	110,463	33,870	10,919	<b>155,252</b>	126,186
<b>Total Funds</b>	<u><b>646,735</b></u>	<u><b>163,998</b></u>	<u><b>1,856,595</b></u>	<u><b>2,667,328</b></u>	<u><b>2,047,688</b></u>

**THE SERPENTINE TRUST**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2001**

**8. RESOURCES EXPENDED**

2001	2000
£	£

This includes the following:

Auditors' remuneration	8,575	5,742
Depreciation	<u>366,244</u>	<u>406,148</u>

**9. REMUNERATION OF DIRECTORS**

No directors received any emoluments or remuneration during the year.

**10. STAFF COSTS**

2001	2000
£	£

Wages and salaries	594,095	417,467
Social security costs	<u>52,640</u>	<u>38,356</u>
	<u>646,735</u>	<u>455,823</u>

Employees earning over £40,000:  
£40,001 - £50,000

No.	No.
<u>1</u>	<u>1</u>

There has been a change in the analysis of total staff costs. In previous years the total amount has excluded staff costs that have been allocated directly to other costs.

The average weekly number of employees is thirty-seven:- fourteen full-time and twenty three part-time.

The average number of employees analysed by function was:

	No.	No.
Exhibitions	22	16
Education	3	2
Bookshop	3	5
Fundraising and publicity	3	3
Management and administration of the Charity	<u>5</u>	<u>6</u>
Total	<u>36</u>	<u>32</u>

**11. OPERATING LEASE COMMITMENTS**

**Land and Buildings**

2001	2000
£	£

On leases expiring in:

Over 5 years	<u>11,500</u>	<u>11,000</u>
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**12. TAXATION**

The company is a registered charity and is therefore not liable to corporation tax.

**THE SERPENTINE TRUST**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2001**

<b>13. Fixed Assets</b>	<b>Furniture and Equipment £</b>	<b>Building Improvement £</b>	<b>Total £</b>
<b>Unrestricted Funds</b>			
Cost			
At 1 April 2000	46,840	1,950	48,790
Additions	<u>4,289</u>	<u>-</u>	<u>4,289</u>
At 31 March 2001	<u>51,129</u>	<u>1,950</u>	<u>53,079</u>
Depreciation			
At 1 April 1999	25,939	487	26,426
Charge for the year	<u>9,695</u>	<u>488</u>	<u>10,183</u>
At 31 March 2001	<u>35,634</u>	<u>975</u>	<u>36,609</u>
<b>Net book value</b>			
<b>At 31 March 2001</b>	<b><u>15,495</u></b>	<b><u>975</u></b>	<b><u>16,470</u></b>
<i>At 31 March 2000</i>	<i><u>20,901</u></i>	<i><u>1,463</u></i>	<i><u>22,364</u></i>
<b>Restricted</b>	<b>Building Renovation £</b>	<b>Furniture and Equipment £</b>	<b>Total £</b>
Cost			
At 1 April 2000	4,057,598	108,758	4,166,356
Additions	<u>320</u>	<u>1,435</u>	<u>1,755</u>
At 31 March 2001	<u>4,057,918</u>	<u>110,193</u>	<u>4,168,111</u>
Depreciation			
At 1 April 2000	1,097,729	81,702	1,179,431
Charge for the year	<u>328,691</u>	<u>27,415</u>	<u>356,106</u>
At 31 March 2001	<u>1,426,420</u>	<u>109,117</u>	<u>1,535,537</u>
<b>Net book value</b>			
<b>At 31 March 2001</b>	<b><u>2,631,498</u></b>	<b><u>1,076</u></b>	<b><u>2,632,574</u></b>
<i>At 31 March 2000</i>	<i><u>2,959,869</u></i>	<i><u>27,056</u></i>	<i><u>2,986,925</u></i>

All assets are held for continuing use by the charity, for direct charitable purposes.

	<b>2001 £</b>	<b>2000 £</b>
<b>Refurbishment Reserve</b>		
Construction costs	<b>320</b>	(718)
Professional fees	-	(14,880)
Survey costs and planning fees	-	-
Marketing	-	(1,621)
New equipment	<u>-</u>	<u>-</u>
	<b><u>320</u></b>	<b><u>(17,219)</u></b>

**THE SERPENTINE TRUST**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2001**

<b>14. STOCKS</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Books and other merchandise	<u>73,841</u>	<u>80,694</u>
<b>15. DEBTORS</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Trade debtors	17,290	116,596
Sundry debtors	14,387	7,144
Prepayments	41,366	49,731
Accrued income	<u>89,432</u>	<u>95,257</u>
	<u>162,475</u>	<u>268,728</u>
<b>16. CREDITORS: Amounts falling due within one year</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Trade creditors	109,878	144,896
Other creditors	3,537	-
Taxation	14,482	3,869
Accruals	129,028	216,020
Deferred income	<u>10,554</u>	<u>119,543</u>
	<u>276,479</u>	<u>484,328</u>

Deferred income is that which is restricted by the donor to be spent in a future accounting period.

<b>17. FUNDS</b>	<b>General Fund</b>	<b>Designated Fund</b>	<b>Refurbishment Fund</b>	<b>Art Equalisation Fund</b>	<b>Endowment Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
1 April 2000	69,702	-	2,840,255	138,307	205,900	<b>3,254,164</b>
Income received	2,645,003	-	19,234	6,817	-	<b>2,671,054</b>
Expenditure incurred	(2,311,222)	-	(356,106)	-	-	<b>(2,667,328)</b>
Transfer between funds	<u>(331,311)</u>	<u>202,120</u>	<u>129,191</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>At 31 March 2001</b>	<b><u>72,172</u></b>	<b><u>202,120</u></b>	<b><u>2,632,574</u></b>	<b><u>145,124</u></b>	<b><u>205,900</u></b>	<b><u>3,257,890</u></b>

The transfer between funds represents the amount utilised from unrestricted funds to establish a designated fund to meet the future replacement and maintenance of tangible assets. It also represents the amount utilised from unrestricted funds to meet the final outstanding cost of refurbishing the gallery.

The Serpentine Gallery re-opened to the public in February 1998 after renovations were completed. Funding was secured from the Arts Council National Lottery Department, along with other grants and donations. The Refurbishment Fund represents the net amount of income received less expenditure for the renovation of the Serpentine Gallery as at 31 March 2001.

The Art Equalisation Fund is in respect of funds received from The Arts Council of England, and is available only to fund specific events, and not to meet routine expenditure.

The Endowment Fund represents anonymous donations given to The Serpentine Trust for its activities. Only the interest can be used.

The Art Equalisation Fund is held as cash at bank; the Endowment Fund is currently held on short term deposit.

**THE SERPENTINE TRUST**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2001**

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**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Fixed assets £	Net current assets/(liabilities) £	Net assets £
Restricted funds	2,632,574	145,124	2,777,698
Unrestricted funds	16,470	257,822	274,292
Endowment fund	-	205,900	205,900
	<u>2,649,044</u>	<u>608,846</u>	<u>3,257,890</u>

**20. INSURANCE**

During the year the Serpentine Trust purchased directors' liability insurance at a total cost of £761, (2000: £761).



**THE SERPENTINE TRUST  
FOR THE YEAR ENDED 31 MARCH 2001**

**ATTENDANCE FIGURES FOR THE SERPENTINE GALLERY FOR 2000/2001**

<u>EXHIBITION TITLE</u>	<u>ATTENDANCE</u>	<u>DATES</u>	<u>DAYS</u>	<u>DAILY AVERAGE</u>
The Greenhouse Effect	58,898	04/04 – 21/05	47	1,253
Felix Gonzalez-Torres	66,309	01/06 – 16/07	46	1,442
Shirin Neshat	54,695	28/07 – 03/09	38	1,439
Gillian Wearing	53,963	16/09 – 29/10	44	1,226
Brice Marden	42,333	17/11 – 07/01/01	48	882
Give & Take	55,408	30/01 – 01/04	62	894
	<u>331,606</u>		<u>285</u>	<u>1,164</u>