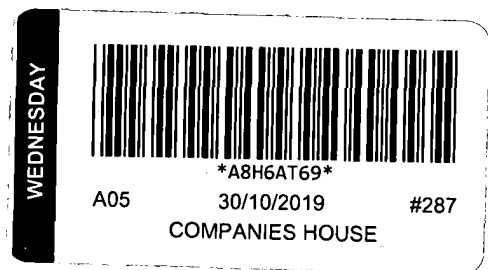


**SPIKE ISLAND ARTSPACE LTD**

**FINANCIAL STATEMENTS**

**For the year ended**

**31 March 2019**



**Charity No: 1003505**

**Company: 2624621 (England and Wales)**

## REPORT OF THE TRUSTEES FOR THE YEAR ENDING 31 MARCH 2019

The trustees are pleased to present the annual director's report together with the consolidated financial statements of the charity for the year ending 31 March 2019, which are prepared to meet the requirements for a director's report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### CHAIR'S FOREWORD

For the year ending March 2019

The 2018/19 exhibition programme featured shows by a wide range of artists, giving insight into important local and international issues and histories across painting, sculpture, film, literature and performance. Shows by Alex Cecchetti, Zoe Paul, Andrew Mania, Nina Beier, Harriet Bowman, Benoit Maire, Christopher Kulendran Thomas and Mai-Thu Perret were all well received critically and by an increasingly diverse audience at Spike Island.

Despite a period of change in leadership in the last year, our financial position, alongside secure Arts Council National Portfolio funding through to April 2022, means that Spike Island can continue to be ambitious in its plans for the future.

In closing, I would like to thank our artists, supporters, tenants, staff and volunteer team, and our audiences, for their continued support in making our work possible and successful. I am delighted on behalf of the Trustees to commend the organisation's Annual Report to all who are interested.

Andrew Cooper  
Chair

### OBJECTIVES AND ACTIVITIES

Our mission is to be a dynamic arts centre that supports, produces and presents contemporary art and culture. We engage audiences in our work through a diverse programme of exhibitions and interdisciplinary events; and we directly support artists through new commissions and a critically-engaged professional development programme that widens access to our programme and facilities.

To support this mission, we offer bespoke production, fabrication and AV hire services, and provide subsidised studios and co-working spaces for artists, designers and artist-led organisations based in the South West. We also offer competitively-priced office spaces for creative businesses and host the University of the West of England's Fine Art programmes.

### PUBLIC BENEFIT

Spike Island is the largest artist studio complex in the South West of England, and has a reputation as one of the best studio providers in the UK.

We provide over 50 low cost studios and over 40 low cost desks to artists, designers and creative businesses to develop and grow their business or practice. The trustee board is satisfied that all activities in the 2018/19 operational plan were in furtherance of the objects of the charity and were for the public benefit. The trustees have given due consideration to the Charity Commission's

published guidance on the Public Benefit requirement under the Charities Act 2011, in relation to our primary areas of activity.

Spike Island's three primary areas of activity for public benefit are:

- Exhibiting the work of national and international early-career artists and those whose practices have been under-represented.
- Providing talks, workshops and experiences to engage the public in contemporary art.
- Providing workspace for the research and production of art to those who may not be able to afford space elsewhere.

Spike Island offers free access for everyone to all its exhibitions and provides free interpretive and educational material to accompany each show. The gallery is open to the public 6 days per week, Tuesday to Sunday. Talks and events are free, or £5, with concessions £3.

A hearing loop system is available for events in the gallery. 3 Blue Badge parking spaces are available immediately outside the building. The ground floor has level access entry to all areas and a lift is available to first floor events.

## ACHIEVEMENTS AND PERFORMANCE

This is a summary of Spike Island's achievements and performance during 2018/19 with respect to key goals identified in our Business Plan 2018-22:

### ARTS PRACTICE

#### Exhibitions:

- Spike Island will deliver an annual programme of 6-8 international and domestic exhibitions which introduce emerging or overlooked artists to the public, often for the first time. We will continue to offer artists their first significant solo exhibition, often including new commissions.

The exhibitions programme comprises six to eight exhibitions per year over four seasons. These are mainly solo exhibitions by emerging or under-represented artists of national and international significance. Our aim is to give artists a strong platform for the development of these artists' practices, often commissioning new work and introducing international artists to British audiences for the first time. Alongside every exhibition is an active and engaged public programme which brings speakers to Bristol from around the world.

Our exhibitions during 2018/19 included:

Alex Cecchetti

*At the Gates of the Music Palace*

5 May to 8 July 2018

This was Alex Cecchetti's largest show to date, showing the breadth of his work. The exhibition included three major new commissions: *Singing Chandelier*, *Music Hall*, and *Singling Line* (all 2018), which invited visitors to make musical notes with their voices and physical movements. *Singing Chandelier* was a semi-cylindrical sculpture made of a cascade of colourful glass shaped in the form of bird beaks. *Music Hall* comprised a mysterious musical instrument that responded to visitors' movements, producing music as they passed through the space. During the course of the exhibition, scheduled performances took place involving a dancer who creates melodies through choreographed movement and a soprano.

Zoe Paul

*Le Perma-Perla Kraal Emporium*

5 May to 8 July 2018

This was Zoe Paul's first exhibition at a UK public institution. We commissioned an epic 8m-long beaded curtain for the exhibition – the largest Paul has made to date. The exhibition also included new versions of an ongoing series of works: a ceramic tea set, a fountain and wool weavings on vintage fridge grills. The artist also made wall drawings. A central work in the exhibition was *La Perma-Perla Kraal Emporium*, a collaborative work that invited visitors to put on a gown and sit around a long table to roll beads. This was hugely successful in engaging audiences, with many visitors returning to make beads in the gallery.

Andrew Mania

*A Snapshot of Collection*

5 May to 8 July

Andrew Mania has been a Spike Island studio holder for more than fifteen years and was the first artist to exhibit in the Project Space as part of the new programme of exhibitions by studio holders, selected by open call. He previously had solo exhibitions at the Bloomberg SPACE, London (2009) Chisenhale Gallery London and Holbourne Museum of Art, Bath (2007). Andrew developed an exhibition based on a series of existing paintings and drawings, alongside works selected from his collection of vintage photographs by artists such as Carl Van Vechten and Wilhelm von Gloeden.

Nina Beier

*European Interiors*

21 July to 23 September 2018

Nina Beier's exhibition was the largest UK solo show she has had to date, spanning both of Spike Island's galleries. We showed a combination of existing works and new commissions. As we were successful at securing additional funding from Danish arts Foundation we were able to produce five ambitious new works, including: *Charity Hotel*, 2018, bronze statue, steel wool; *Plug*, 2018, sixteen porcelain sinks, cigars; *Baby*, 2018, waterbed mattress, water, leaves; *Ruin*, 2018, soap bars, bugs; and *European Interiors*, 2018, padded furniture, imitation bones.

Harriet Bowman

*All Round-er (Sad Sale)*

21 July to 23 September

Harriet Bowman presented a series of new works based on an ongoing narrative about a fictional character called Fled, who explores Bowman's own curiosity for cars, horsepower and the language of equestrian advertising. Bowman's story-writing generated symbolic objects that acted as physical footnotes to the text accompanying the show. In the exhibition, they took the form of a showroom, revealing these objects in a theatrical diorama. Her exhibition included a series of sculptures which appropriated traditional leatherwork and ceramic techniques. Moulded leather hide sculptures that recall car interiors, saddles and flesh, hung in suspense. Alongside this work was a clay sculpture which was sanded back daily, over many months, reflecting the labour-intensive nature of maintaining a show horse – its shine comparable to a well buffed automobile. Alongside this, Bowman's talismans – hand-made ceramic horseshoes – offered luck to all. A local tannery, Thomas Ware & Sons, was the site of Bowman's primary research for this exhibition, influencing her use of leatherwork and an audio piece inspired by the workers' bell.

Benoît Maire

*Thebes*

6 October to 9 December

Benoît Maire's major solo exhibition *Thebes* at Spike Island featured more than one hundred existing works, ranging from paintings and sculptures to furniture, everyday objects and films. It also included additional works by Pierre Dariel, Jean Derval, Lito S. Freeman, French artist (anonymous), Greek artist (anonymous), Josef Hoffmann, Jacques Innocenti, Alberto Korda, Robert Mallet-Stevens, taken from the artist's collection. *Thebes* was originally commissioned by CAPC musée d'art contemporain, Bordeaux, but it was significantly reconfigured and extended for the presentation at Spike Island. The galleries were divided into three distinct spaces orientated primarily around film, painting and sculpture.

Christopher Kulendran Thomas

*New Eelam: Bristol*

19 January to 24 March 2019

New Eelam is a real estate technology company founded by artist Christopher Kulendran Thomas in order to develop a global housing subscription based on collective co-ownership rather than individually owned private property. Initiated as a long-term artwork in the form of a start-up, the venture has brought together an interdisciplinary team of specialists across the fields of technology, art, real estate, finance and architecture to explore how a more liquid form of citizenship could be constructed beyond national boundaries.

Developed in collaboration with curator Annika Kuhlmann, New Eelam originated from contemporary art's role in reimagining cities, from styles of living to forms of labour. New Eelam's 'concept space' at Spike Island – part of the company's research and development process – was a sci-fi vision of an alternate reality, featuring technologies such as hydroponic home-farming systems presented here as living sculptures. Within this immersive environment, visitors could view New Eelam's speculative documentary, *60 million Americans can't be wrong*, which introduces the post-capitalist housing proposal and the political and historical horizons of the venture. The exhibition also featured a collection of micro videos that explore how a new economic model could be grown out of the existing economic system rather than in opposition to it.

Mai-Thu Perret

*The Blazing World*

19 January to 24 March 2019

Mai-Thu Perret's multidisciplinary practice intertwines seemingly diverse traditions such as Modernism, the Arts and Crafts movement, and Eastern spiritualities. In 1999 Perret created *The Crystal Frontier*, a fictional all-women commune located in the New Mexico desert. The story of this autonomous community provides the framework for Perret's interest in radical feminist politics and the objects she presents often masquerade as the 'hypothetical production' of the women inside *The Crystal Frontier*.

*The Blazing World*, Perret's first major solo exhibition in the UK, explored the subject of witchcraft and the relationship between women's oppression and the emergence of capitalism. In her immersive installation at Spike Island, a theatrical stage recalled sacred forms of architecture and was punctuated with ritualistic sculptures, puppets and textiles.

## **SPIKE FILM & VIDEO**

Spike Film & Video is a moving image production unit that works on film included in the Spike Island Programme, as well as supporting the production and presentation of work to be shown elsewhere.

Spike Film and Video has produced three major new moving image productions during 2018-19: Anya Lewin's Fez: *The Royal Scent* for her solo show at John Hansard Gallery; Patrick Staff's *The Prince of Homburg*, co-commissioned by Dundee Contemporary Arts (DCA) and Irish Museum of Modern Art; and Larissa Sansour's science fiction film *In Vitro*, which features in her solo show in the Danish Pavilion at 58th Venice biennial.

Previous commissions also received ongoing recognition:

- Maeve Brennan's *The Drift* (2017) was included in the official programmes of Sheffield Doc Fest and Filmadrid film festivals in June 2018.
- Patrick Staff's *Weed Killer* (2017) was included in the official programme of Images Festival Toronto in April 2018

Spike Film & Video also handle the technical management of film installations and screenings elsewhere, including:

- Rachel Maclean – Chapter
- The Atlantic Project – Plymouth
- Paul Simon Richards, *Quasi-Monte Carlo* at Spike Island
- Crossed Paths, by Miranda Whall at the Oriel Davies Gallery, in Newtown, Powys
- Groundwork, a project organised by CAST (the Helston-based Cornubian Arts and Science Trust) in partnership with Kestle Barton, Newlyn Art Gallery & The Exchange and Tate St Ives, bringing internationally celebrated artists to Cornwall during the Summer of 2018.
- A significant amount of equipment and media services were supplied to Chapter Arts Centre, Cardiff in February for a solo show by James Richards, Migratory Motor Complex, which runs until late May. Commissioned for the Welsh Pavilion at Venice Biennale in 2017, James Richards exhibition returned to Wales at Chapter, for its UK premiere.

#### **ACCESS AND COMMUNICATION**

- Maintain Spike Island's reputation as the key visual arts hub for the South West, while building a strong sense of community and loyalty among our audiences
- Diversify our audience focusing in particular on the following groups:
  - Children and young people especially those aged 12-18 who may not have considered the visual arts previously
  - BAME communities (16% of Bristol's population belongs to a black or minority ethnic group. 10% of our visitors are from minority backgrounds)
  - Those living in hard to reach parts of the city, with limited access to contemporary visual arts
  - Independent cultural tourists (domestic and overseas)
- Increase awareness of Spike Island's charitable aims and business activities to support the ongoing sustainability of the organisation.

#### **Audience:**

The Spike Island doors welcome nearly 200,000 people each year and offers a working base to:

- 70 studio holders
- 120+ Associate members
- 25 small businesses in Spike Design
- 15 larger businesses in individual offices
- 250 University West of England undergraduates, post graduates and staff

- 120 printmakers
- 100 volunteers

Spike Island average exhibition visits are equal to 4749 per exhibition in 2018/19. Over the last two years, we have increased the numbers of people attending our public programme of talks, workshops, open studios and events with 14530 in 2018/19 (61% increase since 2016-17)). Visitors from our local community are most likely to volunteer and to engage in Open Studios, behind the scenes tours and drop in workshops. Non-arts related reasons to visit, such as the use of Spike Island for community consultations and polling stations, continue to give us further opportunities to convert local people into arts attenders.

Black, Asian and minority ethnic people now make up 15% of our audiences (Audience Finder data up to October 2018), which is increasingly reflective of Bristol's BAME population, currently at 16% (this figure was at 10% in January 2017). We have built more lasting connections with communities outside of the city centre through targeted marketing and distribution in specific postcode areas and working closely with key local media, including Ujima Radio, whose audiences are chiefly BAME. We are developing a new Residents Panel in partnership with Up Our Street, and other Bristol arts organisations Colston Hall, MAYK and In Between Time, to better understand audience engagement with contemporary arts in our city (an AHRC supported research project led by the University of Sheffield).

Demand for workspace is constant, with all studio space and singularly occupied office space full and 80% occupancy in Spike Design. Spike Island's studio and Associates provision supports Bristol based artists to produce new work that they exhibit nationally and internationally. Output highlights for various Spike Island activity in 2018/19 include: Dreamland Margate unveiled a new Mural-by-the-Sea artwork about the Windrush generation by studio artist Valda Jackson in August 2018. *Threshold*, a new permanent public sculpture by Natasha Rosling was opened at the Forest of Dean in April 2018. Harriet Bowman presented a new series of sculptures for her first UK solo exhibition *All Round-er (sad sale)* at Spike Island's project space, April 2018. Jo Lathwood launched a site specific exhibition for Fabrica, Brighton in July 2018. SHOP motion design studio worked on the screen content for Stormzy's headline performance at Glastonbury 2019. We continue to provide low cost space to Spike Print Studio which currently has c.120 members and runs a popular programme of print courses for beginners and experienced printers.

We view diversity as a strength and aim to create an environment in which all staff and users of the building are able to achieve their full potential, contribute fully and derive maximum pleasure and benefit from their involvement with the organisation. Our Equalities Action Plan sets out some of the areas in which we are active and details where and how we intend to make improvements in the future. The plan is monitored and reviewed by the Senior Management Team, led by the Director, and is reviewed annually by the Board of Trustees. Specific projects target particular communities and interest groups where these are evident through individual artist's practice, while retaining broad appeal for general audiences. Targeted audience development initiatives develop new audiences for each exhibition from a wide and diverse section of the community.

Specific projects target particular communities and interest groups where these are evident through individual artist's practice, while retaining broad appeal for general audiences. Targeted audience development initiatives develop new audiences for each exhibition from a wide and diverse section of the community.

Engagement:

2018-19 saw 199,262 building visits, an increase from 185,079 in 2017-18. Exhibition attendance continues to rise: 33,243 in 2018/19 – an increase of 12%. 51% say 'visual arts is an important part of who I am', 56% attend 'to be intellectually stimulated' and 52% 'to be inspired'. Workshops, talks and events were also well attended (3,116 in 2018-19) and our Open Studios 2018 weekend saw a record high of over 10,000 visitors over 3.5 days.

Although we are dedicated to engaging with as wide an audience as possible, we recognise that due to our development role within the sector we have a higher than average percentage of specialist visitors, who are extremely loyal: 44% visit more than once each year (on average 3 times a year) – up from 35% in 2017-18. At the same time, due to increased communications we are attracting a large and steadily growing number of first time visitors (currently 42%). Our data also suggests that young people are our core audience, especially those aged 16-24, presently 30% of our audience (34% in 2017/18, 16% - 2016/17) particularly connected to our link with University West of England.

Designing, developing and launching our new accessible and dynamic Wordpress website has been a major achievement of the past year. Launching in February 2019, this has initially seen a 15% rise in users. We have also made significant progress towards stronger brand awareness by introducing a refreshed graphic identity, language style guide, and targeted Google Adverts. These significant changes are helping us to articulate the multi-faceted nature of the organisation better than ever before, which will encourage a sense of pride and loyalty among our core audiences and stakeholders. Our new website sees over 10,000 average visits per month with top locations ranking at 80% UK, 5.6% USA, 1.5% France. Spike Island sends monthly e-newsletters to around 8,500 individuals with an open rate above industry average at 23%. Gallery guides are downloadable and artist's talks are shared via Soundcloud and embedded into the website. We have a podcast series attached to our Novel Writers events, and publish an episode each month. We are also producing short Instagram video interviews with our studio artists to increase 'behind the scenes' opportunities – we now have 18k followers and growing engagement with our posts and stories. We collaborated with Ocula to present a live broadcast of Swiss-Vietnamese artist Mai Thu-Perret's newly commissioned performance in March 2019, which has been watched 1,800 times.

Spike Island's production services continues to be integral to our digital policy, having produced three major new moving image productions during 2018-19: Anya Lewin's *Fez: The Royal Scent* for her solo show at John Hansard Gallery; Patrick Staff's *The Prince of Homburg*, co-commissioned by Dundee Contemporary Arts (DCA) and Irish Museum of Modern Art; and Larissa Sansour's science fiction film *In Vitro*, which features in her solo show in the Danish Pavilion at 58th Venice biennial.

Our exhibiting artists are included in the UWE/ART in the City lecture series at Arnolfini, recordings of which can be played or downloaded from our respective websites. Spike Island has continued as project lead for the Bristol and Bath Cultural Destinations project (BBCDP) to promote cultural tourism across the West of England region.

#### Visitor feedback:

Visitor comments are regularly solicited by our front of house staff and volunteers and shared with our wider staff team. A large percentage of the audience are professionally engaged with the arts, given Spike Island's focus on practice and production; students, artists, critics and curators occupy the building on a daily basis.

Spike Island undertake audience surveys and make use of the segmentation used by Audience Agency to describe our visitors. Using these definitions, half of our audience is categorised as highly culturally engaged - "Experience Seekers" (37.9%) and "Metroculturals" (17.2%) - higher than



national and regional averages. These visitors are typically open to a wide range of mainstream and alternative offers, tend to be very digitally engaged and keen to experience new things. Two of the smallest segments of our audience, Heydays (1%) and Home and Heritage (1%). We are working with Bristol Ageing Better and in discussion with Bristol Disability Forum about improving engagement with older communities in Bristol. We will continue to work to encourage more of these traditionally low attenders of the arts to visit Spike Island.

#### **Social Media:**

Our social media channels are key to engaging our established audiences and expanding our reach throughout the exhibition. In 2018/19 there has been an increase in all areas: Twitter Spike Island has 30k followers and sees 200k impressions per month, Facebook has 12.4k active followers, and Instagram 18k followers with a good average engagement rate of 1%. Additionally our Soundcloud, Vimeo and Podcast channels enable us to share media relating to artists, writers and exhibitions with international audiences. We prioritise debate and feedback on our social media channels, ensuring that our audiences are listened to.

Across our social media channels, our average audience is slightly higher amongst females (55%), and the most prominent age group is 25-34 group (40%). Our increased social media presence in recent years has deepened engagement with our young audiences – 34% of our visitors are 16-24. We also have a strong relationship with local media with regular guest spots BBC Radio Bristol, Ujima Radio (Bristol's community station), and regular coverage in the Bristol Post, Bristol 24/7 and Bristol Life. Wider media coverage is focussed on our exhibition and public programme; for example, Sriwhana Spong's exhibition review in The Guardian, and Christopher Kulendran Thomas' exhibition review in the i newspaper.

#### **EDUCATION**

Spike Island's education work focuses on continued professional development for artists and on developing an awareness of visual arts careers amongst young people, particularly those from disadvantaged backgrounds. Our Associates network continues to grow year on year (membership is up 18% on previous year). During 2018-19 a fourth co-hort of 10 undertook the Syllabus programme; an alternative learning programme for artists in partnership with Wysing Arts Centre, Cambridge; Eastside Projects, Birmingham; S1 Artspace, Sheffield, Studio Voltaire, London; and Iniva, London.

We continue to offer studio space in the building to Room 13, who work with young people from the Hartcliffe area of Bristol, which is classed as within the 1% most deprived areas in the country. Our work with Room 13 is part of a drive to extend our reach to parts of Bristol with low arts engagement. We also work closely with Rising Arts Agency and AIM (Arts in Motion). Rising Arts Agency, who operate from a Spike Island Studio and have been supported by Spike Island in running open sessions onsite, is run by young creative thinkers in Bristol, supporting young artists to achieve their ambitions and affect radical social change. AIM is a not-for-profit participatory arts organisation who provide opportunities for artists with learning disabilities to engage with contemporary multidisciplinary arts to explore ideas and concepts with a specific focus on heritage, the built environment and sense of place. AIM were supported by Spike Island for hosting their Fair Saturday workshop project onsite in November 2018.

During 2018-19 we continued to host drop-in workshops and group visits to our exhibitions. These included:

- Baby Art Hour (a monthly meeting of drawing, building and exploring colour)
- I am Making Art (a monthly workshop including sculpture, book making and animation)
- Group visits by secondary, college and university students during each exhibition.

All activities are typically oversubscribed and more funding is being sought in order to develop these activities and expand access to them.

#### **FINANCIAL SUSTAINABILITY**

- Have detailed plans and fundraising confirmed by spring 2019 for our Phase 2: Improving Infrastructure, Capital Development Action Plan.
- Create (2017) and maintain to (2022) a designated building reserve to accompany our 10 year building maintenance plan.
- Increase fundraising from Trusts & Foundations, Individuals and Corporates in line with targets in our 2018-22 budgets and Fundraising Strategy

#### **REVENUE FUNDING**

Arts Council England:

£280,000 revenue funding received in 2018/19 and confirmed for 2018-2022. £30,000 of this is awarded through Spike Island to Visual Arts South West.

Bristol City Council:

£21,150 revenue funding received in 2018/19 and £17,000 per annum confirmed for 2020-2022.

#### **FUNDRAISING**

Fundraising is an organisation wide activity, led by the Director and Deputy Director, who take responsibility for fundraising to support core costs, including the relationships with Arts Council England and Bristol City Council. Spike Island has made several attempts to create a team of specialist fundraising staff without continued success, due to the limited availability of skilled fundraisers working in the region and sector, but the Programme team are dedicated to securing additional funding to support our exhibition budgets.

Spike Island does not subscribe to any specific fundraising standards and has never received any complaints in the relation to fundraising activity.

#### **Grants**

In 2018-19 Spike Island's artistic activity was supported through additional funding from trusts and foundations, including: The Henry Moore Foundation, Stanley Thomas, Pro Helvetia, Denmark Culture and The Freelands Foundation.

#### **Individual Giving**

Individual Giving via our two donation boxes continued, generating a total of £2,474. This equates to an average donation of 7p per visitor (down from 8p per visitor in 2017-18), which is 3p more than the average donation for galleries and museums in London.

#### **EARNED INCOME**

Earned income includes rental income from studios, commercial offices, Spike Design, the Café, the Associates membership, Spike Film & Video and Venue Hire. A small amount of revenue is also generated via the sale of editions, and books and magazines.

During 2018/19 the performance of the outsourced café remained stable. Spike Island received a rental income and a percentage of turnover, as the café continues to turnover in excess of over £150,000 per annum. Rental income has remained stable.

#### **INTERNAL DEVELOPMENTS**

- To have and attract an expert and influential board of trustees, diverse in composition and skills.

- To engage a dynamic, diverse and highly skilled workforce to deliver and achieve our aims and activity to the highest standard and quality

## PERSONNEL

### Training

Spike Island's staff training and professional development is largely undertaken through the Plus Tate partnership which facilitates learning/mentoring experiences. Further compliance and internal training is delivered in house or with external trainers.

### Board Development

In terms of our Board of Trustees, the board has equal gender diversity and one ethnic minority member. The board is committed to improving its own diversity and is inviting a wider range of potential members to observe with a view to joining. We currently have six trustee vacancies, and are recruiting new members, and also like to maintain an allocation of free spaces to ensure appropriate appointments can be swiftly should new skills are required.

Although greater board diversity continues to be an ambition for Spike Island, this has been temporarily put on hold while the new Director and Deputy Director have been appointed and settle in to their roles. It is important to note that having a committed Board of Trustees has been vital to the continuing success of the organisation during this period of transition.

## VOLUNTEERS

Our Volunteer team is integral to supporting the public programme. We have 100 volunteers, 40 of whom regularly support our exhibitions and events. Volunteers welcome visitors and help them enjoy exhibitions through sharing information about artists and their work. They help ensure the security of artwork and the safety of visitors, while monitoring visitor numbers and gathering feedback. In return they benefit from an enrichment programme which offers curated opportunities to increase their experience and develop new skills. The scheme is open to all ages and is managed by a part time Front of House Supervisor.

Volunteers undertake training with staff across the organisation, such as marketing, programming, and technical. They participate in a variety of seminars, workshops, coaching opportunities, shadowing and hands-on experiences. Volunteers also programme an annual exhibition in the Test Space at Spike Island.

Government advice in relation to improved mental health and well-being highlights participation in social and community life. Our Volunteer programme aims to provide connectivity and support to all individuals. This can help combat isolation, improving health and wellbeing. Our aim is for this programme to be an example of best practice in the sector, enabling participants to gain essential employment skills, work experience and engagement in our community.

## FINANCIAL REVIEW

### FINANCIAL POSITION

The charity recorded an unrestricted deficit from operations of £40,408, a deficit on designated funds of £97,692 and a surplus on restricted funds of £29,475. Annual Depreciation of £183,083 is designated against the fixed asset fund. Spike Island has net assets of £3,988,274 as of 31 March 2019 (of which £3,740,825 is our Fixed Assets and is allocated to the building). The charity has a four year funding agreement in place with Arts Council England for April 2018 to March 2022. The funding for these four years remains in line with 2015-18 funding period. The trustees have reviewed

the cash position of the charity and are satisfied that the charity will be able to meet all of its financial commitments.

### **GOING CONCERN**

The trustees believe that the charity is well placed to manage its financial risks successfully and have a reasonable expectation that the charity will continue to build its reserves as stated below. Accordingly the trustees continue to adopt the going concern basis in preparing the financial statements.

### **RESERVES POLICY**

The trustees have established the level of reserves (those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the gap between spending on programmes and resources earned and income received from grants and core funds. The trustees consider the ideal level of general reserves to be 3 months of operating costs, at c£250,000. This figure is reviewed annually and has been calculated by considering the charity's income, its potential vulnerability to decline in particular funding sources and its core and variable costs.

At the end of 2018-19, the general reserves reduced to £154,879 (2017/18 £195,909). The following activities contributed to this utilisation of reserves:

- 1) Spike Island experienced a transitional year when both the Director and Deputy Director left the organisation. An interim Executive Director was recruited on a consultancy basis to provide continuity for the period August 2018 through May 2019.
- 2) Refurbishment and structural changes to office space and communal areas to place in the year. Continuing issues with the building roof resulted in unforeseen expenditure.
- 3) Fundraising successes proved scarce, with only minimal core funding achieved.

The Trustees recognise that the charity will need to continue to build small, pre-depreciation surpluses year on year, where possible, to ensure that the general reserve reaches an ideal level equal to a quarter of annual turnover. In 2017/18 the Trustees recommended that a Restricted Building Reserve of £30,000 was designated to enable the organisation to respond to sudden building needs such as roof repair or the lift breaking. The building of these reserves remains a realistic ambition for the organisation, when practicable, to demonstrate the ability to be resilient and proactively plan for future improvements and significant repair and maintenance.

### **FIXED ASSETS**

The Fixed Asset Designated Reserve represents the capital investment in the building post capital development in 2007. This reserve will decrease by the amount of annual depreciation on the building as per our accounting policy offset by any capital expenditure on the building.

### **PLANS FOR THE FUTURE**

We have referred to the Charity Commission's general guidance on public benefit when planning our future activities. The trustee board is satisfied that all activities in the 2018-2022 Business Plan are in furtherance of the objects of the charity and are for the public benefit.

Spike Island appointed Robert Leckie as the new Director in October 2018 to lead the artistic vision of the organisation, following the departure of Helen Legg in June 2018. Helen's new appointment, as Director of Tate Liverpool, demonstrates the impact of her work at Spike Island and throughout the visual arts sector. Executive Director Lhosa Daly also left Spike Island in July 2018 to take up a regional Director role with the National Trust and was replaced by Deputy Director Aidan Woodburn in May 2019, who joins Spike Island from Bristol Old Vic.

Strategic planning for the future has been held in abeyance for much of 2018-19 due to the personnel changes in leadership. The change of Directors of the organisation has warranted a review and interrogation of the artistic vision of the organisation, organisational resource structure and reviewing internal policies, procedures and legal agreements. Positive progress has been made, and much of this work is now being implemented, which will significantly increase Spike Island's sustainability and resilience for the future.

Following the completion of our Phase 1 capital improvements in 2016, Spike Island still aims to address the issues caused by our single glazed, uninsulated factory building. The Phase 2 project will include plans to redevelop the front of the building, improve the visibility of the gallery and café to attract Metrobus users alighting at the new Spike Island; a refurbishment of Spike Design; and the need for long-term residency space and/or artist's accommodation. Further significant capital investment is necessary to complete this work, requiring major fundraising and/or a social investment strategy. More immediately, however, Spike Island is concentrating on the short term necessity for resolving the issue of the persistently deteriorating roof above the south east wing of the building, which has been repaired on multiple occasions, but is still experiencing damaging water ingress from rain water run-off. A thorough specialist investigation undertaken in Feb 2019 identified 36 points of water ingress across the five sections of the barrelled roof. Subsequently, we have undergone a tendering exercise with 3 contractors for their proposals of removing the damaged felt and replacing with a long-term suitable replacement roofing material. We are now fundraising for this work as a priority for 2019-20, as Restricted Building Reserves will not fund the whole project.

#### TRUSTEES' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law and the law applicable to charities in England and Wales, requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the net income and expenditure of the charity for the year. 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any
- material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to
- presume that the charitable company will continue in business

The trustees are responsible for keeping proper accounting records 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. The trustees confirm that, so far as each Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and each trustee has taken all the steps that he/she ought to have taken as a trustee in order to make

himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

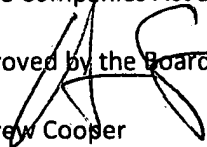
#### DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the trustees are aware there is no relevant audit information of which the charitable company's auditor is unaware; and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

#### AUDITORS

Burton Sweet, the charitable company's auditors, have indicated that they are prepared to continue in office and a resolution to reappoint them as auditors will be put at the Annual General Meeting. This report has been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (revised 2015) and in accordance with the special provisions of the Companies Act 2006 (s419(2)) relating to small entities.

Approved by the Board of Trustees on 17 September 2019 and signed on its behalf by:

  
Andrew Cooper  
Chair

#### STRUCTURE, GOVERNANCE AND MANAGEMENT CONSTITUTION

Spike Island is a company limited by guarantee, governed by its Memorandum and Articles of Association adopted on 3 November 1998 and updated on 26 November 2009, November 2012 and 23 February 2015. It is a registered charity with the Charity Commission. There are currently 9 members of the charity, each of whom is an elected trustee and Director of the Company. Each Director agrees to contribute £1 in the event of the charity winding up.

#### APPOINTMENT OF TRUSTEES

In accordance with the Memorandum and Articles of Association, directors who are trustees of the charity and members of the Board are appointed or elected as follows:

An individual's application to become a member of the charity may be approved or rejected by the existing Committee of members. The Committee also have the right to terminate the membership of any member who does not to the satisfaction of the Committee show a sufficient regard or commitment to the objects of the Association. The Committee Members may in their absolute discretion permit any member of the Association to resign provided that after such resignation the number of members is not less than 3.

A maximum of three members may be beneficiaries of the charity drawn from artist and associates groups. Not more than three members can be co-opted each year. All members of the Committee who have been members of the Committee for three years since their last election shall retire at the Annual General Meeting for that year. In the event that more than one third of the Committee have served for three years since their last election only those members of the Committee who have served the longest on the Committee and who equate in number to one third of the Committee shall retire at the Annual General Meeting which shall include, if relevant, the previous chairman of the Committee. A retiring member is eligible for re-election for a second three year term.

The Chairman, in consultation with other members and the gallery director, reviews the expertise required for the Committee. Through personal and professional contacts, and public advertising candidates are sought and interviewed by the Chairman and director of the gallery. If there is agreement amongst the Committee members, a candidate is nominated, seconded and voted into the Committee at the Annual General Meeting.

## TRUSTEE INDUCTION AND TRAINING

New Trustees are initially co-opted onto the Committee after being inducted into the workings of the charity, this induction involves a tour of the building and meetings with staff members. They are able to see the workings of a board meeting before they formally accept the invitation to become a Trustee. A full induction pack with detailed information about the charity is provided before their first board meeting, and they are provided with sources of information on best practice and how to be effective in their role.

Trustees are invited to join other review committees during the year in the areas of Risk, Human Resources and Health & Safety resulting in a report to the Committee on an annual basis.

## ORGANISATION

The charity is administered by the Committee which can have up to 15 members and meets four times per year. The Committee is responsible for the strategic governance of the Charity and upholding its aims and objectives. The Committee is also assisted by a Finance sub-group, comprising at least two Committee members, including the Treasurer that meets a further four times per year. The Finance group thoroughly reviews the quarterly management accounts and income targets and achievements at each meeting. The Treasurer reports back to the full board at each Trustee meeting.

The Committee have appointed a Director to manage the day to day operations of the charity. To facilitate operations the Director has delegated authority, within terms of delegation approved by the Committee, for operational matters including finance, employment and artistic activity. The Director is supported by a Deputy Director and senior management team.

## RELATED PARTIES

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with a production company, artist, performer or exhibitor must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

## PAY POLICY FOR SENIOR STAFF

The directors consider the board of directors, who are the Trust's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis. All directors give of their time freely and no director received remuneration in the year. We have valued the contribution of trustee time, dedicated to legal matters and consultancy as £5,750 (plus VAT).

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other regional galleries of a similar size run on a voluntary basis.

## EMPLOYEE INVOLVEMENT

Employees have been consulted on issues of concern to them by means of staff meetings and have been kept informed on specific matters directly by management.

## EMPLOYMENT POLICIES

The charity has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Diversity and Equal opportunities policy
- Access policy
- Health & Safety policy
- Maternity and Paternity policy
- Safeguarding policy

In accordance with the charity's equal opportunities policy, the charity has long established fair employment practices in the recruitment, selection, retention and training of disabled staff. The charity carries out exit interviews for all staff leaving the organisation. Full details of these policies are available from the charity's offices.

## RISK MANAGEMENT

The charity has a risk management strategy which comprises:

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

Risk management has resulted in a greater awareness of risk throughout the organisation. The risks facing the charity are reviewed by the board quarterly. The major risk to Spike Island continues to be the age and condition of the building, and in particular the risk of water ingress from the damaged south east wing roof. Other key risks that have been mitigated against include improving our data protection procedures, which also involved the redrafting of the Privacy Policy as part of the new website's launch in February 2019.

## LEGAL AND ADMINISTRATIVE DETAILS

Registered Office & Principal Address: 133 Cumberland Road, Bristol, BS1 6UX

Company number: 2624621

Charity number: 1003505

Bankers: HSBC, White Street, Cabot Circus, Bristol BS1 3BA

CAF, 25 Kings Hill Avenue, West Malling, Kent ME19 4JQ

Independent Auditors: Burton Sweet, The Clock Tower, Old Weston Rd, Flax

Bourton, Bristol BS48 1UR

Solicitors: Thrings LLP, The Paragon, Counterslip, Bristol, BS1 6BX

## DIRECTORS AND TRUSTEES

Andrew Braithwaite

Andrew Cooper, Chair

Tessa Jackson

Jacquié Kingsley

Gavin Marshall, Treasurer

Jonathan Mosley

Dorothy Price

Alice Workman

Paula Newport

Company Secretary Isabel Jones

Director of Spike Island Robert Leckie

Finance Manager Alan Parry



## **Independent auditor's report to the members of Spike Island Artspace Limited**

### **Opinion**

We have audited the financial statements of Spike Island Artspace Limited (the "Charity") for the year ended 31 March 2019 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 31 March 2019 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **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.

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](http://www.frc.org.uk/apb/scope/private.cfm) This description forms part of our auditor's report.

### **Neil Kingston FCA (Senior Statutory Auditor)**

For and on behalf of Burton Sweet Chartered Accountants and Statutory Auditor  
Cooper House  
Lower Charlton Estate  
Shepton Mallet  
Somerset  
BA4 5QE

Date: 17/9/19

# SPIKE ISLAND ARTSPACE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (Including Income & Expenditure Account)

YEAR ENDED 31 MARCH 2019

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £	Total Funds 2018 £
<b>Income and endowments from:</b>							
Donations and legacies	2	283,390	-	-	-	283,390	290,493
Charitable activities	3	688,581	-	105,100	-	793,681	707,975
Investments		18	-	-	-	18	15
Other	4	-	-	-	-	-	200
<b>Total</b>		<b>971,989</b>	<b>-</b>	<b>105,100</b>	<b>-</b>	<b>1,077,089</b>	<b>998,683</b>
<b>Expenditure on:</b>							
Raising funds	5	28,081	-	-	-	28,081	32,114
Charitable activities	6	1,019,316	97,692	40,625	-	1,157,633	1,005,429
<b>Total</b>		<b>1,047,397</b>	<b>97,692</b>	<b>40,625</b>	<b>-</b>	<b>1,185,714</b>	<b>1,037,543</b>
<b>Net income/(expenditure)</b>	<b>9</b>	<b>(75,409)</b>	<b>(97,692)</b>	<b>64,475</b>	<b>-</b>	<b>(108,626)</b>	<b>(38,860)</b>
Transfers between funds	16	34,376	624	(35,000)	-	-	-
<b>Net movement in funds</b>		<b>(41,033)</b>	<b>(97,068)</b>	<b>29,475</b>	<b>-</b>	<b>(108,626)</b>	<b>(38,860)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		195,909	3,870,520	6,471	25,000	4,097,900	4,136,760
<b>Total funds carried forward</b>	<b>16</b>	<b>154,876</b>	<b>3,773,452</b>	<b>35,946</b>	<b>25,000</b>	<b>3,989,274</b>	<b>4,097,900</b>

20 2018: Statement of Financial Activities

The charity has no recognised gains or losses other than the results for the year as set out above

All of the activities of the charity are classed as continuing

# SPIKE ISLAND ARTSPACE LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2019

Company number: 2624621

	Note	2019 £	2018 £
<b>Fixed Assets</b>			
Tangible fixed assets	12	3,740,830	3,838,522
<b>Current Assets</b>			
Stock		1,585	1,590
Debtors	13	177,502	152,482
Cash at bank and in hand		<u>244,086</u>	<u>302,083</u>
		423,173	456,155
<b>Liabilities</b>			
Creditors : Amounts falling due within one year	14	<u>(111,111)</u>	<u>(134,020)</u>
<b>Net Current Assets</b>		312,062	322,135
Creditors: Amounts falling due in greater than one year	15	(63,618)	(62,757)
<b>Net assets</b>		<u><u>3,989,274</u></u>	<u><u>4,097,900</u></u>
<b>The funds of the charity:</b>			
<b>Endowment funds</b>	17	25,000	25,000
<b>Restricted funds</b>			
Restricted Income funds	17	35,946	6,471
<b>Unrestricted funds</b>			
Fixed asset designated fund	17	3,740,825	3,838,517
Designated fund - Studio fund	17	2,624	2,003
Designated fund - Building repairs	17	30,000	30,000
Unrestricted Income funds	17	154,879	195,909
		<u><u>3,989,274</u></u>	<u><u>4,097,900</u></u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 2006.

These financial statements were approved by the trustees on 17/9/19 and are signed on their behalf by

Andrew Cooper

# SPIKE ISLAND ARTSPACE LIMITED

## STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
<b>Operating activities</b>			
<b>Cash flows for operating activities</b>			
Income from Donations and Legacies	A1	277,640	287,493
Costs of raising funds	A2	(28,081)	(32,114)
<b>Cash flows from operating activities</b>			
Income from Charitable Activities	A3	769,527	658,235
Costs of Charitable Activities	A4	(991,710)	(807,360)
		<u>27,376</u>	<u>108,254</u>
<b>Non-operational cashflows</b>			
Capital expenditure and financial investment		(85,391)	(21,885)
<b>Investing activities</b>			
Interest received		<u>18</u>	<u>15</u>
		18	15
<b>Net cash outflow for the year</b>	<b>B</b>	<u>(57,997)</u>	<u>84,384</u>

# SPIKE ISLAND ARTSPACE LIMITED

## NOTES TO THE CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2019

### Notes to the Statement of Cash Flows

#### A Reconciliation of net movement in funds to net cash inflow from operating activities

	SOFA £	Debtors & Stock £	Creditors £	Cashflow 2019 £	Cashflow 2018 £
<b>A1 Income from Donations and Legacies</b>					
Donations and grants	283,390	-	-	283,390	290,493
Removal of Donations in kind	(5,750)	-	-	(5,750)	(3,000)
<b>Net cash inflow from donations and legacies</b>				<b>277,640</b>	<b>287,493</b>
<b>A2 Costs of raising funds</b>					
Raising funds	(28,081)	-	-	(28,081)	(32,114)
<b>A3 Income from Charitable Activities</b>					
Charitable Activities	793,681	(25,015)	861	769,527	658,235
<b>A4 Costs of Charitable Activities</b>					
Charitable activities	(1,157,633)	-	(22,909)	(1,180,542)	(985,549)
Depreciation	183,082	-	-	183,082	175,189
Gifts in kind	5,750	-	-	5,750	3,000
		(25,015)	(22,048)	(991,710)	(807,360)

#### B Analysis of changes in cash flow during the year

	2019 £	2018 £	Change £	Change £
Cash at bank and in hand	244,086	302,083	(57,997)	84,384
	2018 £	2017 £	Change £	Change £
Cash at bank and in hand	302,083	217,699	84,384	2,598

#### C Cashflow restrictions

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cashflows for the year.

# SPIKE ISLAND ARTSPACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2019

### 1 Accounting policies

- a) The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Charities Act 2011, Financial Reporting Standard 102 (FRS102, 2016) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).
- The charity has availed itself of the Companies Act 2006 and adapted the Companies Act formats to reflect the special nature of the charity's activities.
- The charity is a public benefit entity under FRS102.
- The financial statements are prepared on the going concern basis. There are no material uncertainties affecting the ability of the charity to continue as a going concern.
- b) Income is included on a receivable basis. Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable. Grants received in the accounting period in respect of future accounting periods are deferred until those periods. Grants receivable are only recognised when any conditions for receipt have been complied with. All material grants are disclosed in accordance with the Statement of Recommended Practice.
- c) Expenditure is accounted for on an accruals basis and have been classified under headings that aggregate all costs related to the category. Expenditure includes attributable VAT which cannot be recovered.
- d) Charitable activities comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Expenditure on raising funds includes salaries and the direct costs for generating donations.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of estimated aggregated time expended on each activity.
- e) Tangible fixed assets are stated at cost and depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:
- |                                  |   |
|----------------------------------|---|
| Long leasehold property          | Over the period of the lease (expires 10 July 2126) |
| Leasehold improvements           | Equally over either 5 or 10 years                   |
| Equipment, fixtures and fittings | Equally over either 3, 5 or 10 years                |
| Spike Film & Video               | Equally over 3 years                                |
| Web site development             | Equally over 5 years                                |
- Tangible fixed assets with a cost greater than £500 are capitalised in the balance sheet.
- f) Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.
- g) The charity has arranged a defined contribution scheme for its staff. Pension costs charged in the SOFA represent the contributions payable by the charity in the period.
- h) Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.
- i) Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- j) Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.
- k) Operating leases
- The charity classified the lease for the office printer as an operating lease; the title to the equipment remains with the lessor and the equipment is replaced every 5 years. Rental charges are charged on a straight line basis over the term of the lease.
- l) Pensions
- Since January 2016, existing employees have been auto-enrolled into a workplace pension scheme. Unless otherwise requested, the employees have been enrolled in a Scottish Widows stakeholder pension scheme. The Spike Island pension contribution is 5% after completion of a probationary period.

# SPIKE ISLAND ARTSPACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2019

### 2 Donations and legacies

	Unrestricted Funds	Restricted Funds	Total Funds 2019	Total Funds 2018
	£	£	£	£
Donations:				
Arts Council England South West	250,000	-	250,000	250,000
Bristol City Council	21,250	-	21,250	25,000
John James Foundation	-	-	-	10,000
Other donations	12,140	-	12,140	5,493

283,390	-	283,390	290,493
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### 3 Income from charitable activities

	Unrestricted Funds	Restricted Funds	Total Funds 2019	Total Funds 2018
	£	£	£	£
Publication income	1,834		1,834	2,879
Programme income	9,646		9,646	8,637
Education income	23,128		23,128	11,012
Sale of artwork	-		-	5,702
Other sales	6,241		6,241	8,164
Rental income	447,740		447,740	434,629
Spike Design income	68,200		68,200	60,710
Spike Film Video income	86,326		86,326	53,877
Café income	13,761		13,761	11,161
Other income	16,705		16,705	20,450
Project funding				
Arts Council England South West				
Visual Arts South West		30,000	30,000	30,000
Korean Partnership Programme	15,000	-	15,000	10,000
Henry Moore Foundation		2,500	2,500	2,000
Network for Creative Enterprise		39,237	39,237	43,449
Pro Helvetia		10,000	10,000	-
Access Reach Fund		14,400	14,400	-
Denmark Culture		2,963	2,963	-
Freelands Foundation		1,000	1,000	-
Stanley Thomas		5,000	5,000	-
Wysing Art Centre		-	-	4,233
Kukje Gallery		-	-	10,000
Michael Simpson Publication		-	-	1,072

Total income from charitable activities

688,581	105,100	793,681	707,975
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# SPIKE ISLAND ARTSPACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2019

### 4 Other Income

	Total Funds 2019 £	Total Funds 2018 £
Gain on disposal of tangible fixed assets	-	200
	<u>-</u>	<u>200</u>

### 5 Raising funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Wages and salaries	26,845	-	26,845	30,486
Fundraising cost	1,236	-	1,236	1,628
	<u>28,081</u>	<u>-</u>	<u>28,081</u>	<u>32,114</u>

### 6 Charitable activities

Note	Direct Costs £	Support Costs (note 7) £	Total Funds 2019 £	Total Funds 2018 £
Programme	347,167	181,192	528,359	423,153
Studio Rents	38,228	301,987	340,215	314,760
Spike Design	15,934	60,397	76,331	69,666
Spike Film & Video	111,373	30,199	141,572	118,916
Education	25,486	30,199	55,685	43,613
Visual Arts South West	15,471	-	15,471	35,321
	<u>553,659</u>	<u>603,974</u>	<u>1,157,633</u>	<u>1,005,429</u>

Support costs are analysed in note 7.

### 7 Support costs

	Studios £	Programme £	Spike Design £	Education £	Spike Film & Video £	Total £
Staff costs	72,908	43,745	14,582	7,291	7,291	145,817
Premises costs	89,436	53,661	17,887	8,944	8,944	178,872
Office costs	24,343	14,606	4,868	2,434	2,434	48,685
Depreciation	91,541	54,925	18,308	9,154	9,154	183,082
Governance costs (note 8)	23,759	14,255	4,752	2,376	2,376	47,518
	<u>301,987</u>	<u>181,192</u>	<u>60,397</u>	<u>30,199</u>	<u>30,199</u>	<u>603,974</u>

### 8 Governance costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Wages and salaries	35,349	-	35,349	16,680
Professional fees	8,141	-	8,141	4,050
Audit fee - current year fee	4,028	-	4,028	3,926
	<u>47,518</u>	<u>-</u>	<u>47,518</u>	<u>24,656</u>

# SPIKE ISLAND ARTSPACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2019

### 9 Net expenditure for the year

This is stated after charging:

	2019	2018
	£	£
Depreciation	183,083	175,190
Auditors' remuneration - current year fee	4,028	3,926
Operating lease payments	2,763	1,222
Trustees' expenses - travel expenses for one Trustee	-	173

### 10 Staff costs and numbers

The aggregate staff costs were:

	2019	2018
	£	£
Wages and salaries	440,853	454,709
Social security costs	33,971	31,194
Pension costs	19,174	18,432
	493,998	504,335

No employee received emoluments of more than £60,000.

The total employment benefits received by key management personnel were £89,950 (2018: £138,227).

The average weekly number of staff during the year, calculated on the basis of full time equivalents, was as follows:

	2019	2018
	No.	No.
Director	1.0	1.0
Administration	16.0	15.5
Support	6.0	5.5
	23.0	22.0

The average headcount of employees during the year was 38 (2018: 37).

### 11 Taxation

The charity is exempt from corporation tax on its charitable activities.



# SPIKE ISLAND ARTSPACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2019

### 16 Movement in funds

	At 1 Apr 2018	Income	Expenditure	Transfers	At 31 Mar 2019
	£	£	£	£	£
<b>Endowment funds</b>	<b>25,000</b>	-	-	-	<b>25,000</b>
<b>Restricted funds</b>					
Arts Council England South West					
- Visual Arts South West	16	30,000	(15,646)	-	14,370
Stanley Thomas		5,000	(5,000)	-	-
Network for Creative Enterprises (RAIN)	6,455	39,237	(9,195)	(30,000)	6,497
Access Reach Fund		14,400	(5,289)	(5,000)	4,111
Henry Moore Foundation	-	2,500	(2,500)	-	-
Pro Helvetia	-	10,000	-	-	10,000
Denmark Culture	-	2,963	(2,963)	-	-
Freelands Foundation	-	1,000	(32)	-	968
	<b>6,471</b>	<b>105,100</b>	<b>(40,625)</b>	<b>(35,000)</b>	<b>35,946</b>
<b>Unrestricted funds</b>					
Unrestricted Fixed Asset Fund (designated)	3,838,517	-	(97,692)	-	3,740,825
Designated fund - Studio Fund	2,003	-	-	624	2,627
Designated fund - Building Repairs	30,000	-	-	-	30,000
General Funds	195,909	971,989	(1,047,398)	34,376	154,876
	<b>4,066,429</b>	<b>971,989</b>	<b>(1,145,090)</b>	<b>35,000</b>	<b>3,928,328</b>
<b>Total funds</b>	<b>4,097,900</b>	<b>1,077,089</b>	<b>(1,185,715)</b>	<b>-</b>	<b>3,989,274</b>

# SPIKE ISLAND ARTSPACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2019

### 16 Movement in funds (continued)

Prior year comparatives	At 1 Apr 2017 £	Income £	Expenditure £	Transfers £	At 31 Mar 2018 £
<b>Endowment funds</b>	<b>25,000</b>	-	-	-	<b>25,000</b>
<b>Restricted funds</b>					
ACE South West - Visual Arts South West	337	30,000	(30,321)	-	16
Nottingham Contemporary - Himid	9,500	-	(9,500)	-	-
Studios - 40th Anniversary Artspace	1,000	-	(1,000)	-	-
RAIN Project (NICE)	-	43,449	(36,994)	-	6,455
Mondriaan Fund	1,350	-	(1,350)	-	-
Henry Moore Foundation	-	2,000	(2,000)	-	-
Wysing Art Centre	-	4,233	(4,233)	-	-
Kukje Gallery	-	10,000	(10,000)	-	-
Maeve Brennan	5,135	-	(5,135)	-	-
Michael Simpson Publication	-	1,072	(1,072)	-	-
	<b>17,322</b>	<b>90,754</b>	<b>(101,605)</b>	<b>-</b>	<b>6,471</b>
<b>Unrestricted funds</b>					
Unrestricted Fixed Asset Fund (designated)	3,991,625	200	(153,308)	-	3,838,517
Designated fund - Studio Fund	2,607	-	(604)	-	2,003
Designated fund - Building Repairs	-	-	-	30,000	30,000
General Funds	100,206	907,729	(782,026)	(30,000)	195,909
	<b>4,094,438</b>	<b>907,929</b>	<b>(935,938)</b>	<b>-</b>	<b>4,066,429</b>
<b>Total funds</b>	<b>4,136,760</b>	<b>998,683</b>	<b>(1,037,543)</b>	<b>-</b>	<b>4,097,900</b>

The transfer between general funds and the designated fund represents the creation of Building Repairs Fund

#### Unrestricted Fixed Asset Fund (designated fund)

This designated fund represents the net book value of fixed assets

#### Designated fund - Studio Fund

This designated fund represents 10% of the studio rent income which is allocated to support studio artists.

#### Arts Council England South West - Visual Arts South West (VASW) (restricted fund)

VASW is a network creating opportunities for artists, organisations and professionals to develop their practice, share ideas, knowledge & resources, and cultivate relationships. VASW provides platforms to promote and support the work of the region's visual art's ecology.

#### Stanley Thomas

Contribution to the costs of the Mai-Thu Perret exhibition

#### Network for Creative Enterprises (RAIN Project)

Tendered to provide SME support to creative start-ups and individuals

#### Access Reach Fund

Project support for the development of the Exhibition Services business model

#### Henry Moore Foundation

Contribution to the costs of the Zoe Paul and Lubaina Himid exhibitions

#### Pro Helvetia Foundation

Contribution to the costs of the Mai-Thu Perret exhibition

#### Denmark Culture

Contribution to the costs of the Nina Beier exhibition

#### Freelands Foundation

First instalment of award for the development of exhibition with Veronica Ryan

# SPIKE ISLAND ARTSPACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2019

### 16 Movement in funds (continued)

#### Nottingham Contemporary - Himid

ACE Strategic Touring funds toward Lubaina Himid, Navigation Charts

#### Studios - 40th Anniversary Artspace

Contribution to celebrate the foundation of a working artists' space in the city centre

#### Mondriaan Fund

Contribution to the costs of the Hedwig Houben exhibition

#### Wysing Arts Centre

Contribution to the costs of the Syllabus programme

#### Kukje Gallery

Contribution to the costs of the Kim Yong-Ik exhibition

#### Maeve Brennan

Contribution towards the Maeve Brennan film commission

#### Michael Simpson Publication

Contribution towards publication costs

### 17 Analysis of net assets between funds

	Tangible Fixed assets £	Other Net assets £	Total £
Restricted Endowment funds	-	25,000	25,000
Restricted funds	-	35,946	35,946
Unrestricted Fixed Asset fund (designated)	3,740,825	-	3,740,825
Designated fund - Studio Fund	-	2,624	2,624
Designated fund - Building repairs	-	30,000	30,000
Unrestricted General funds	-	154,879	154,879
	<u>3,740,825</u>	<u>248,449</u>	<u>3,989,274</u>

Free reserves at 31 March 2019 are £154,879

#### Prior year comparative

	Tangible Fixed assets £	Other Net assets £	Total £
Restricted Endowment funds	-	25,000	25,000
Restricted funds	-	6,471	6,471
Unrestricted Fixed Asset fund (designated)	3,838,517	-	3,838,517
Designated fund - Studio Fund	-	2,003	2,003
Designated fund - Building repairs	-	30,000	30,000
Unrestricted General funds	-	195,909	195,909
	<u>3,838,517</u>	<u>259,383</u>	<u>4,097,900</u>

Free reserves at 31 March 2018 are £195,909

# SPIKE ISLAND ARTSPACE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2019

### 18 Contingent Liability

In the event of the sale of the Long Leasehold property, Arts Council England has the right to receive an appropriate share of the net proceeds for as long as the asset or the improvements made have a useful economic life. If Arts Council England were to choose to exercise this right, the share would be based on the percentage of costs funded by them. Arts Council England has a debenture over the Long Leasehold property.

### 19 Company limited by guarantee

The company is limited by guarantee and, as such, has no issued share capital. In the event of the company being wound up the liability of the members is limited to £1 each.

### 20 Statement of Financial Activities - 2018

		Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £
Income and endowments from:						
Donations and legacies	2	290,493	-	-	-	290,493
Charitable activities	3	617,221	-	90,754	-	707,975
Investments		15	-	-	-	15
Other		-	200	-	-	200
<b>Total</b>		<b>907,729</b>	<b>200</b>	<b>90,754</b>	<b>-</b>	<b>998,683</b>
Expenditure on:						
Raising funds	5	32,114	-	-	-	32,114
Charitable activities	6	749,912	153,912	101,605	-	1,005,429
<b>Total</b>		<b>782,026</b>	<b>153,912</b>	<b>101,605</b>	<b>-</b>	<b>1,037,543</b>
<b>Net income/(expenditure)</b>	<b>9</b>	<b>125,703</b>	<b>(153,712)</b>	<b>(10,851)</b>	<b>-</b>	<b>(38,860)</b>
Transfers between funds		(30,000)	30,000	-	-	-
<b>Net movement in funds</b>		<b>95,703</b>	<b>(123,712)</b>	<b>(10,851)</b>	<b>-</b>	<b>(38,860)</b>
Reconciliation of funds:						
Total funds brought forward		100,206	3,994,232	17,322	25,000	4,136,760
<b>Total funds carried forward</b>		<b>195,909</b>	<b>3,870,520</b>	<b>6,471</b>	<b>25,000</b>	<b>4,097,900</b>

### 21 Operating leases commitments

As at 31 March 2019 the Charity had annual commitments under non-cancellable operating leases as follows:

	2019 £	2018 £
Within one year	2,763	1,222
Within two and five years	11,053	1,528