

COMPANY REGISTRATION NUMBER: 03679284
CHARITY REGISTRATION NUMBER: 1074036

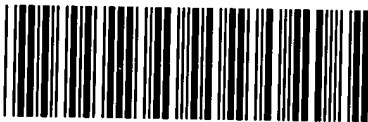
Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

Financial Statements

31 December 2021

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Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

Financial Statements

Year ended 31 December 2021

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Jerwood Charity
(previously The Jerwood Charitable Foundation)
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Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 December 2021

The Trustees, who are also the directors for the purposes of company law, present their report and the financial statements of Jerwood Charity ("JC") for the year ended 31 December 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Jerwood Charity
Charity registration number	1074036
Company registration number	03679284
Principal office and registered office	171 Union Street London SE1 0LN
The Trustees	Lucy Ash Katharine Goodison Thomas Grieve Catrin Griffiths Miranda Thompson-Schwab (appointed 20 July 2021) Rupert Tyler (Chairman) Julia Wharton
Key personnel	Director (executive): Lilli Geissendorfer Deputy Director: Jon Opie
Company secretary	Lilli Geissendorfer
Auditor	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Bankers	Royal Bank of Scotland 43 Curzon Street London W1Y 7RF
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE

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Trustees' Annual Report (Incorporating the Directors' Report) (continued)

Year ended 31 December 2021

OBJECTIVES AND ACTIVITIES

Objects

The governing document states that the objects of JC are of such general charitable purposes as the trustees may from time to time decide. Currently these objects are the distribution of grants to individuals and organisations for the advancement and promotion of the arts across art-forms in the UK.

Jerwood Charity's aims

Jerwood Charity, trading as Jerwood Arts, is the leading independent funder dedicated to supporting UK artists, curators and producers to develop and thrive. We enable transformative opportunities for individuals across art forms, supporting imaginative awards, bursaries, fellowships, projects, programmes and commissions. We are committed to supporting artistic freedom of expression and being as inclusive as possible across all our work. We present new work and bring people from across the arts together through our exhibitions and events at Jerwood Space, London, as well as across the UK and online.

The Trustees have complied with their duty to have due regard to the guidance, published by The Charity Commission (specifically PB2), on public benefit in exercising their powers or duties.

Four core commitments:

1. Funding for UK based individual artists and arts organisations
2. Endowment fund stewarded in perpetuity
3. Excellence, of process and outcome
4. Focus our funding on artists, curators and producers within the first ten years of establishing their practice

Our Values:

Three core values underpin all our work:

Responsible: We are committed to: listening, learning and responding to artists' needs; to being inclusive and accessible; to being accountable to our beneficiaries and our board; to improving environmental sustainability; to responsible investment.

Imaginative: We are committed to: supporting outstanding, distinctive, visionary artists from diverse backgrounds from across the UK; empowering artists to experiment and take risks to develop their practice and realise new ideas; embracing difference and acknowledge that in doing so, we will need to act differently ourselves.

Independent: We are committed to: thinking freely and having a distinct voice; advocating and using our influence strategically to improve conditions for artists; collaborating with imaginative, specialist partners and other funders who share our aims.

Our Criteria

All our funding is for individuals, whether it is directly through Bursaries, Awards or Fellowships, or through funded organisations running Development Programmes. Across all our activity, individuals receiving our support must be:

- Practicing artists, curators and/or producers
- Within the first ten years of starting a professional practice and recognised for their work
- Willing to be bold and take risks to develop their practice, with potential for excellence in process and outcome
- Resident in the UK and committed to making a positive contribution to the UK arts sector
- Outside formal education

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Trustees' Annual Report (Incorporating the Directors' Report) (continued)

Year ended 31 December 2021

OBJECTIVES AND ACTIVITIES (continued)

Detailed eligibility criteria are set out for each funding opportunity. Across all of them, we cannot fund:

- Anyone or any project that does not meet the criteria above
- Non-arts activities
- Retrospectively (activity that has happened or will happen before we can make a decision)
- Funding for buildings, core costs and equipment
- Costs of formal training, course fees, living costs and materials
- Feature films and short films
- Sponsorship of any kind

Our Decision-Making Process

Our Trustees approve the design of programmes and funding opportunities, they attend decision making panels across our funding, and make the final decisions on grant making. Our staff team holds specialist knowledge in key areas and are involved at different stages of the selection and decision process appropriate to the funding opportunity.

All the funding processes signed-off by Trustees involve at least a two-stage process of longlisting and shortlisting, followed by either a decision by an expert panel, interviews with applicants and/or decision at one of four annual board meetings. We are able to draw on the expertise of our Artist Advisers to inform our decision-making processes with independent recommendations and tailor each process to the funding opportunity.

We commit to:

- providing timelines for decision making upfront
- updating applicants on the status of their application at key moments and to always inform them of the final outcome
- offering feedback on request

Our Impact:

We expect to achieve a balance of the following as a result of our work:

- the skills and knowledge of artists are developed and enriched
- new work is made and shared by artists on their terms
- new artistic voices emerge and new artistic risks are taken
- the careers of exceptional artists are transformed
- conditions for artists of all backgrounds to develop, grow and improve
- a breadth and balance of artists, art forms and geographic reach across the UK

Our Principles:

We choose to start with the needs of artists. We are committed to improving conditions for those from all backgrounds across the UK to develop and make new work with integrity.

Research shows that the challenges facing early-career artists, curators and producers are concentrated around barriers to accessing opportunities, including funding. This is compounded for those who have backgrounds and identities which have been historically underrepresented in the arts, and made more challenging by low pay, structural inequalities in funding and commissioning, and poor working conditions.

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Year ended 31 December 2021

OBJECTIVES AND ACTIVITIES (continued)

As a funder with limited resources, we recognise that we have a specific sphere of influence within which we can try to address some of the needs and challenges facing early-career artists, and the wider sector. We want to reduce the barriers some individuals face in accessing our funding. We want to invest in their capacity, capability and confidence to apply not only to us, but to other sources of support too, thereby supporting their long-term success.

We are a member of the Open and Trusting campaign run by the Institute for Voluntary Action Research (IVAR) and London Funders. Along with more than 50 other UK foundations and charities, we have signed up to the campaign's eight commitments, which align strongly with our core values and set out clear practical ways to be more open and accessible to potential applicants and grantees.

As an arts funder supporting both individuals and organisations, we have made changes in recent years to make our processes kinder to applicants which can be read about below under three key areas of activity: Equality, Diversity and Inclusion, Fair Pay and Environmental Sustainability.

Equality, Diversity and Inclusion: We are committed to improving access and inclusion across the arts through our funding. Research shows that diversity is vital to artistic vibrancy and vision, but change has been slow. Since 2010, we have been particularly focused on improving opportunities for individuals from lower socio-economic backgrounds to get in to the arts through the Weston Jerwood Creative Bursaries programme. We are committed to promoting, commissioning and supporting exceptional early-career artists from African, Caribbean, LatinX or South and East Asian heritage, those with disabilities or long-term health conditions, those from low socio-economic backgrounds, and those facing intersecting barriers. We do this by ensuring that our funding, exhibitions and awards are representative overall and that the most transformative opportunities we offer are accessible to artists from all backgrounds. As part of this we have been working to be kinder with application processes, more generous and thoughtful with advice and feedback, and more welcoming to everyone who approaches us.

Fair Pay: Jerwood Arts is a Living Wage Foundation Employer and Living Wage Funder. We are committed to ensuring that artists are appropriately paid for their time, contribution and expertise, whether directly by us or through our funded projects. Our minimum expectation for is that all artists benefiting from our funding will be paid the Living Wage Foundation prevailing UK rates. In many cases, we would aim to recompense artists at above this rate in recognition of their skill, expertise and training. Where we offer an opportunity, we will say how much time is required from the artists and how the pay will meet at least our minimum standards.

Environmental Sustainability: As a responsible funder we are committed to developing more sustainable and environmentally friendly practices across all our work. Our approach has been influenced by the Sustaining Great Art and Culture report published by Arts Council England and Julie's Bicycle, and the Charities and Environmental Responsibility guidance issued by the Charity Commission. In 2019 we signed up to Culture Declares and we are a signatory to the Funder Commitment on Climate Change.

Context:

For the arts sector, 2021 could be summarised as a stuttering return to re-opening public spaces and venues, amid further lockdowns due to Covid-19, concerns about keeping audiences and arts workers safe, and rebuilding arts businesses. This work will continue in 2022 and many of our partners are re-applying for their core income from national funders. 2021 also saw rising labour and production costs associated with supply chains and energy prices. These factors have and continue to affect the sustainability of arts organisations and the livelihoods of artists.

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Trustees' Annual Report (Incorporating the Directors' Report) (continued)

Year ended 31 December 2021

OBJECTIVES AND ACTIVITIES (continued)

Fundraising

Raising additional funds from trusts, foundations, private sponsorship and public funds is a vital source of income for JC, enabling us to fulfil our charitable objectives as effectively as possible.

JC believes that fundraising should be an open, honest and respectful process. In developing our approach to fundraising we have taken account of the Code of Fundraising Practice issued by the Fundraising Regulator.

We do not engage external professional fundraisers or commercial participators to carry out fundraising activity and do not engage in face-to-face or telephone fundraising. JC has received no complaints about its fundraising activities either during the financial year or subsequently.

JC's Privacy Policy was updated in line with the General Data Protection Regulation in 2018 and is published on our website. The policy outlines what personal data JC will hold in relation to applicants, beneficiaries, and audience members, and how this data will be used. It sets out how individuals can raise concerns or complaints.

ACHIEVEMENTS AND PERFORMANCE

Our independence has enabled us to continue to respond flexibly and imaginatively to the changing context for artists and arts organisations. We have continued to be innovative in our grant making through the development of new initiatives on the one hand, and in our support to beneficiaries on the other, offering more workshops for professional learning and making more connections on their behalf.

In 2020, we launched the Live Work Fund for music creators and performing artists together with Wolfson Foundation, Esmée Fairbairn Foundation and The Linbury Trust. Announcing the 33 awardees in February 2021 gave a much-needed dose of optimism. The awards were given without expectations of outcomes and with this freedom, all the artists have taken exciting new directions. The 100+ artists supported by organisations through our Development Programme Fund are also starting to make their mark.

At Jerwood Space, we were delighted to welcome back our audiences, first to a hybrid digital and physical programme for Jerwood Solo Presentations in May 2021, then to a fully in-person Survey II in the autumn, which had opened at g39 in Cardiff in June; the Jerwood/Photoworks Awards also made a splash at Belfast Exposed.

Major one-off co-commissions made pre-pandemic or in urgent response also made their mark in 2021. SPILL Festival supported Sonya Hughes' I AM FROM REYKJAVIK installation, which toured London, Ipswich and Europe. Activate developed two new outdoor commissions with Lorna Rees and Dave Young, as part of Inside Out Dorset. New Diorama Theatre's game-changing NDT Broadgate has provided a shot of confidence for theatre makers with a large free rehearsal space.

Our alumni continued to make their mark: Penguin will publish Jerwood Compton Poetry Fellow Yomi Sode's first collection Mannerism and he received five Black British Theatre Award nominations; Jerwood Solo Presentations artist Emii Alrai's Aldgate Square Commission from Sculpture in the City; and Array, who we commissioned for Collaborate! in 2019, won the Turner Prize.

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Year ended 31 December 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

The Weston Jerwood Creative Bursaries 2019-22, focusing specifically on early-career creatives from low socio-economic backgrounds, welcomed 51 Fellows into jobs at their Host organisations. We delivered a digital peer-learning programme throughout the year culminating in an in-person event at Dulwich Picture Gallery. The launch of the Jerwood Curatorial Accelerator was also warmly welcomed.

We offered five open call and one nominations-based opportunity across the year, announcing five Jerwood Art Fund Makers Open 2022 awardees in May, two Jerwood/Photoworks Awards 2022 artists in September and three Jerwood Compton Poetry Fellows in November. We designed the 1:1 FUND, an opportunity for two artists to collaborate in response to the isolating effect of Covid-19. The selection was made using a random number generator to pilot a new approach.

If the previous year was full of pause and adaptation, 2021 has given us the opportunity to review our impact and brought a reinvigorated sense of purpose. JC will continue to create opportunities that direct more resources and support to individuals. As we shape our plans for 2022 onwards, this will be at the heart of what we do.

FINANCIAL REVIEW

Sources of funding

JC funds its strategic projects, open grants programmes and administrative costs primarily from the investment income and capital gains generated on its endowment fund.

As of 31 December 2021, a cumulative total of £101,675 of funding from Arts Council England has been recognised as receivable for the Jerwood Compton Poetry Fellowships and recorded within the restricted funds of the charity. This programme commenced activity in 2017 and runs through three editions between then and 2022.

JC also previously secured funding of £1,489,955 for the Jerwood Transforming Leadership Programme, with a further £50,000 secured in 2021. This includes three programmes of activity; namely, Weston Jerwood Creative Bursaries 2019-22 and two new initiatives, the Jerwood Curatorial Accelerator and the Jerwood New Creative Leaders. The funders for this are Arts Council England (£844,955), Garfield Weston Foundation (£250,000), Art Fund (£150,000), Arts Council of Wales (£125,000), Creative Scotland (£100,000), PRS Foundation (£20,000) and Esmée Fairbairn Foundation (£50,000). To date, an amount of £1,472,455 has been recognised as receivable by the charity and included within Restricted Fund balances. The balance of funding due remains subject to performance related conditions expected to be achieved in 2022.

Financial position

After making full provision for grants committed at the year end, net funds increased over the year by £2,695,217 (2020: £126,087); the detailed financial position of JC at the year-end is set out in the Statement of Financial Position on page 17.

Expenditure

Expenditure in the year was: charitable activities £1,108,046 (2020: £2,302,321), investment management costs £135,209 (2020: £121,751). Further analysis of expenditure on charitable activities is provided in the notes to these financial statements.

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Year ended 31 December 2021

FINANCIAL REVIEW (continued)

Reserves Policy

By the terms of its grant from Jerwood Foundation, JC is able to spend both the original grant and income generated from this entirely without condition; nevertheless the express wish of the donor was that the grant be maintained as if it were an expendable endowment (capital) fund by the charity. The current strategic aim adopted by the Board of Trustees is to maintain the original capital value of the grant as if it were an endowment so far as possible and not to deplete it for general funding purposes, other than in unusual circumstances.

The Finance and Investment Committee, which was set up to monitor the endowment fund, has agreed that it is prudent to maintain reserves for the following reasons:

- To ensure that the organisation has sufficient income and funds to meet existing and future commitments, notwithstanding any deterioration in the financial markets;
- To ensure that the organisation has sufficient funds to meet operational costs in those same circumstances, or due to other unexpected adverse events.

After allowing for provisions for future grants committed, the Endowment Fund balance at 31st December 2021 amounted to £33,627,929 (2020: £30,960,179), in addition to which the organisation held a balance of £74,104 (2020: £112,527) in its unrestricted General Fund. Further details regarding the Restricted and Designated Funds are given in the notes to the financial statements.

On the basis of these expendable balances and a policy of monitoring liabilities regularly, it is the Board's view that the reserves available are sufficient to fulfil their policy as set out above.

Investment policy and objectives

Under the Memorandum and Articles of Association, there are no restrictions on JC's powers to invest. The Trustees' investment policy is to achieve long-term capital growth balanced with realising the income needed to support JC's grant-making goals, and throughout 2021 the total return target was CPI+3% for the year. Funds continue to be managed by investment managers, Waverton. At the year-end, 23.9% (2020: 25.1%) of available funds was invested in the UK, with the remainder spread globally.

Investment performance

The total return on Endowment Fund investments, before fees, for 2021 was +11.91% (2020: +6.46%) compared with the increase in the Consumer Price Index for last year of +5.4% (2020: +0.8%). During the year under review, Endowment Fund investment income amounted to £998,464 (2020: £943,556), realised gains on disposals were £317,749 (2020: losses £806,035), and unrealised gains on revaluation were £2,406,743 (2020: gains £1,788,631).

The original investment portfolio of £25,000,000, which was acquired in 2005 using the funds granted by Jerwood Foundation, was valued on 31st December 2021 at £33,929,046 (2020: £31,791,988).

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Trustees' Annual Report (Incorporating the Directors' Report) (continued)

Year ended 31 December 2021

FINANCIAL REVIEW (continued)

Assessment of going concern

The Trustees have given due consideration to the effects of the COVID-19 outbreak. The timeframes for delivery of established programmes have consequently been affected by the government measures introduced and the charity has therefore worked with its programme partners in order to revise delivery timescales and adjust forecasts accordingly.

Despite initial market volatility in the Spring of 2020, the investment portfolio has continued to strengthen and increased in value as compared with the end of the previous financial year.

At the time of this report, the impact of COVID-19 is not expected to materially affect the charity's ability to operate for the next 12 months and the Trustees consider that there are therefore no material uncertainties about JC's ability to continue as a going concern.

Donated services and facilities

No donated services and facilities were received by JC during the year.

PLANS FOR FUTURE PERIODS

To deliver JC's Strategic Plan 2019-22, funding and exhibition programme activity in 2022 includes:

- Continue to work with leading arts organisations from across the artistic spectrum, from Apples and Snakes to Whitstable Biennale, from Edinburgh to Belfast, awarding funding to support specialist early-career artist development programmes across the UK over the next year through the Development Programme Fund.
- Deliver an exhibition of five new commissions by six artists at Jerwood Space for Jerwood Art Fund Makers Open, before supporting its tour to Newlyn Art Gallery and Aberdeen Art Gallery.
- Through the Jerwood/FVU Awards, two new film installations by Soojin Chan and Michael. will be realised at Jerwood Space before they tour to Leeds Art Gallery later in the year.
- For Jerwood/Photoworks Awards 2022, we will present new commissions by Heather Agyepong and Joanne Coates at Jerwood Space. We will also support the onwards tour of Silvia Rossi's commissions from the Jerwood/Photoworks Awards 2020 to Quad in Derby.
- Continue to deliver the Weston Jerwood Creative Bursaries 2020-22 programme to create better conditions for early-career artists, curators, producers and creatives of all backgrounds to thrive. 2022 will see the 51 Fellows move on from their jobs at the Host organisations receiving dedicated 'Progression Support' to take their careers to the next stage. Evaluation and dissemination will take up the 2nd half of the year.
- The Weston Jerwood Creative Bursaries in partnership with British Council will also support 40 Fellows to undertake residencies in five European countries to expand their networks and learning about making and producing in international contexts.
- Deliver the Jerwood Curatorial Accelerator, a new 12-month curatorial and leadership programme for early-career curators from low socio-economic backgrounds. This will include appointing 8 Host organisations from across the UK, recruiting the 10 Fellows through a nominations and call for entry process, and delivering the first four two-day residential training and networking intensives taking place in different locations across the UK.
- Implement the decision to end exhibition and events programme at Jerwood Space at the end of 2022 and evolve our visual arts sector support in line with this through new partnerships nationally and in London.
- Evolve our Development Programme Fund and funding opportunities for individuals to be fit for purpose in line with a strategic plan to support activity from 2023 onwards.
- Continue to seek opportunities to collaborate with other private and public funders to generate new opportunities for beneficiaries.

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Trustees' Annual Report (Incorporating the Directors' Report) (continued)

Year ended 31 December 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document and constitution

Jerwood Charity was incorporated on 1st December 1998 and started operations on 1st April 1999. It is a registered charity and a company limited by guarantee with no share capital, exempted under Section 60 of the Companies Act 2006 from the requirement to use Limited as part of its name. The governing document is the Memorandum and Articles of Association dated 1st December 1998.

There are two members of the company. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member.

Related organisations

In the year of 2021 there were three organisations within the Jerwood family: Jerwood Foundation, Jerwood Charity (JC), and Jerwood Space (JS). All three organisations have a shared vision to support, nurture and reward excellence and dedication in the visual and performing arts. All three are separate legal entities with separate legal structures. A separate entity, Jerwood Limited provides, develops and undertakes advisory and consultancy services to the organisations within the Jerwood family and to third parties; develops and protects Jerwood intellectual property and undertakes activities and initiatives in the arts and related fields.

During the year there was one case of shared trustees within the family; Rupert Tyler, Chairman of JC, was also a Director of JS.

JC was endowed by JF in 2005, which continues as a grant-making organisation. JC occupies an office at JS and delivers an exhibition programme in JS' galleries.

None of JC's Trustees receive remuneration or other benefit from their appointments with JC. Any connection between a beneficiary or potential beneficiary and a Trustee, the Director (executive) or Deputy Director of JC must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party.

Recruitment, appointment and induction of Trustees

Trustees are recruited on the recommendation of the Chairman and Trustees of JC in consultation with the full board. The Articles of Association provide that the Jerwood Foundation may appoint or remove any Trustee at any time. This power would be exercised according to an agreed procedure and in consultation between the respective Chairmen of Jerwood Foundation and Jerwood Charity.

The Board of JC undertakes procedures for the induction and training of Trustees appropriate to its size and nature of activity. A formal Trustee Induction procedure is in place and is reviewed prior to any new Trustee appointment. JC follows the Charity Commission's guidance on induction, including a requirement to sign a Fit and Proper declaration, sharing policies and procedures.

In 2021, Miranda Thompson-Schwab was appointed Trustee of JC and the Chair of the Finance and Investment Committee.

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Year ended 31 December 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure

The governance of JC is carried out by a Board of Directors (acting as Trustees of JC) that meets quarterly. A sub-committee of the Board, the Finance and Investment Committee, is responsible for developing financial and investment strategy, and for measuring performance in these areas. A sub-committee of the Board, the Risk Management Committee, meets once yearly to review the major risks to which JC is exposed and includes the Chairman, Director (executive) and Chairman of the Finance and Investment Committee. Day-to-day management is delegated to the Director (executive), who is also responsible for implementing JC's strategic plan. Strategic planning is carried out by the Director (executive) and Deputy Director in consultation with the Trustees. A Strategy meeting of the full Trustees is held once a year outside of and in addition to quarterly meetings.

In addition to the Director (executive) and Deputy Director, in 2020 there were between five and seven staff working on the funding programmes, visual arts programme, communications, project management and administration. Two freelance practitioners are contracted to work on the Weston Jerwood Creative Bursaries and Jerwood Compton Poetry Fellowships respectively. An organisational restructure was undertaken by the Director in consultation with Trustees at the start of 2020. Apart from the Trustees, no volunteers carry out work for the organisation.

Performance Development Reviews operate twice a year and are led by line managers. Remuneration reviews happen annually in December, with recommendations made to the Board for approval. Staff performance against JC's Strategic Plan is considered as is the current inflationary environment regarding CPI and other factors including comparable industry benchmarks.

Risk management

The major risks for the organisation are discussed by a sub-committee of the Trustees. This is part of the regular process of reviewing the organisation's procedures to manage and mitigate risk. The impact of inflation and rising costs on JC and its operating environment were the main areas for new risk factors facing the organisation.

The committee, as in previous years, highlighted, the performance of the Endowment Fund as JC's primary source of income. The Risk Management committee were mindful of rising costs caused by supply chain issues, rising labour costs and energy prices. This affected both JC's operations and beneficiaries, and the Committee agreed to monitor signs of inflation and ensure that projects and partnerships were appropriately costed.

During the year the Committee was mindful that JC's current Strategic Plan would come to an end in 2022 and throughout the year the Trustees supported by Key Personnel to develop the funding from 2023 onwards, evolving its funding and operational model to maintain and increase the impact for its beneficiaries.

Accounting records

The preparation of the Charity's accounting records is outsourced to the Charity's accountant, who is suitably qualified to carry out this task. Internal controls, suitable for a charity of this size, are in place to protect the Charity's funds and to ensure their proper application.

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Year ended 31 December 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors for the purposes of company law, are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

AUDITOR

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 26 April 2022 and signed on behalf of the board of trustees by:

DocuSigned by:

C6E63FCCBA5D48B...
Rupert Tyler
Chairman

Jerwood Charity
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Independent Auditor's Report to the Members of Jerwood Charity

Year ended 31 December 2021

Opinion

We have audited the financial statements of Jerwood Charity ('the company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

Independent Auditor's Report to the Members of Jerwood Charity (continued)

Year ended 31 December 2021

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

Independent Auditor's Report to the Members of Jerwood Charity (continued)

Year ended 31 December 2021

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

Independent Auditor's Report to the Members of Jerwood Charity (continued)

Year ended 31 December 2021

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company'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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Moore Kingston Smith LLP

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5/30/2022

James Cross (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

Statement of Financial Activities
(including income and expenditure account)

31 December 2021

		Unrestricted Funds		Restricted funds	Endowment funds	2021 Total funds	2020 Total funds
	Note	General	Designated	£	£	£	£
Income and endowments							
Charitable activities	5	–	–	210,410	–	210,410	620,850
Other trading activities	6	4,794	–	–	–	4,794	2,500
Investment income	7	8	–	43	998,464	998,515	944,005
Other income	8	261	–	–	–	261	208
Total income		<u>5,063</u>	<u>–</u>	<u>210,453</u>	<u>998,464</u>	<u>1,213,980</u>	<u>1,567,563</u>
Expenditure							
Expenditure on raising funds:							
Investment management costs	9	–	–	–	135,209	135,209	121,751
Expenditure on charitable activities:							
Jerwood Arts programmes		975,546	–	20,500	–	996,046	2,242,260
Weston Jerwood Creative Bursaries		35,314	–	796,758	–	832,072	146,194
Jerwood Compton Poetry Fellowships		20,603	37,390	1,195	–	59,188	21,171
		1,031,463	37,390	818,453	–	1,887,306	2,409,625
Future grants committed	23	(105,370)	–	(673,890)	–	(779,260)	(107,304)
Total for charitable activities		<u>926,093</u>	<u>37,390</u>	<u>144,563</u>	<u>–</u>	<u>1,108,046</u>	<u>2,302,321</u>
Total expenditure		<u>926,093</u>	<u>37,390</u>	<u>144,563</u>	<u>135,209</u>	<u>1,243,255</u>	<u>2,424,072</u>
Net gains/(losses) on investments	12	–	–	–	2,724,492	2,724,492	982,596
Net (expenditure)/income		<u>(921,030)</u>	<u>(37,390)</u>	<u>65,890</u>	<u>3,587,747</u>	<u>2,695,217</u>	<u>126,087</u>
Transfers between funds	17	882,607	37,390	–	(919,997)	–	–
Net movement in funds		<u>(38,423)</u>	<u>–</u>	<u>65,890</u>	<u>2,667,750</u>	<u>2,695,217</u>	<u>126,087</u>
Reconciliation of funds							
Total funds brought forward		112,527	–	355,370	30,960,179	31,428,076	31,301,989
Total funds carried forward		<u>74,104</u>	<u>–</u>	<u>421,260</u>	<u>33,627,929</u>	<u>34,123,293</u>	<u>31,428,076</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 19 to 34 form part of these financial statements.

Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

Statement of Financial Position


31 December 2021

		2021	2020
		£	£
Fixed assets			
Tangible fixed assets	18	7,424	10,570
Investments	19	33,929,046	31,791,988
		<u>33,936,470</u>	<u>31,802,558</u>
Current assets			
Debtors	20	219,787	459,005
Cash at bank and in hand		488,097	856,210
		<u>707,884</u>	<u>1,315,215</u>
Creditors: amounts falling due within one year	21	<u>(521,061)</u>	<u>(1,408,603)</u>
Net current assets /(liabilities)		<u>186,823</u>	<u>(93,388)</u>
Total assets less current liabilities		<u>34,123,293</u>	<u>31,786,831</u>
Creditors: amounts falling due after more than one year	22	–	(281,094)
Net assets		<u>34,123,293</u>	<u>31,428,076</u>
Funds of the charity			
Endowment funds		33,627,929	30,960,179
Restricted funds		421,260	355,370
Unrestricted funds		74,104	112,527
Total charity funds	25	<u>34,123,293</u>	<u>31,428,076</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of Trustees and authorised for issue on 26 April 2022, and are signed on behalf of the board by:

DocuSigned by:


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Rupert Tyler *Chairman*

Company No: 03679284

The notes on pages 19 to 34 form part of these financial statements.

Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

Statement of Cash Flows

Year ended 31 December 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income	2,695,217	126,087
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	5,386	3,754
Net (gains)/losses on investments	(2,724,492)	(982,596)
Dividends, interest and rents from investments	(998,464)	(943,556)
Other interest receivable and similar income	(51)	(449)
<i>Changes in:</i>		
Trade and other debtors	247,399	465,666
Trade and other creditors	(1,168,636)	357,175
Cash used in operations	(1,943,641)	(973,919)
Interest received	51	449
Net cash used in operating activities	(1,943,590)	(973,470)
Cash flows from investing activities		
Dividends, interest and rents from investments	990,283	944,287
Purchase of tangible assets	(2,240)	(9,984)
Purchases of other investments	(2,704,878)	(6,290,456)
Proceeds from sale of other investments	3,187,181	5,923,484
Net cash from investing activities	1,470,346	567,331
Net (decrease)/increase in cash and cash equivalents	(473,244)	(406,139)
Cash and cash equivalents at beginning of year	1,558,441	1,964,580
Cash and cash equivalents at end of year	1,085,197	1,558,441
Analysis of cash and cash equivalents		
	2021 £	2020 £
Cash at bank	488,097	856,210
Cash held in investment portfolio (note 19)	597,100	702,231
Cash and cash equivalents at end of year	1,085,197	1,558,441

The notes on pages 19 to 34 form part of these financial statements.

Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

Notes to the Financial Statements

Year ended 31 December 2021

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 171 Union Street, London, SE1 0LN.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets, liabilities and investments measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements are prepared on a going concern basis which assumes the charitable company will continue in operational existence for the foreseeable future.

The Trustees have reviewed the charity's forecasts in light of the COVID-19 pandemic, together with the performance of the investment portfolio. Despite initial market volatility in the Spring of 2020, the investment portfolio has continued to strengthen and increased in value as compared with the end of the previous financial year. At the time of this report, the impact of COVID-19 is not expected to materially affect the charity's ability to operate for the next 12 months and the Trustees consider that there are therefore no material uncertainties about JC's ability to continue as a going concern and fulfil the charity's obligations for the foreseeable future.

Fund accounting

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

Designated funds are funds set aside by the Trustees to be used for a particular purpose in furtherance of the general objectives of JC. Such funds are unrestricted and the Trustees have the power to re-designate them within unrestricted funds.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Jerwood Charity
(previously *The Jerwood Charitable Foundation*)

(Company Limited by Guarantee)

Notes to the Financial Statements (continued)

Year ended 31 December 2021

3. Accounting policies (continued)

The Endowment Fund represents a grant of funds from Jerwood Foundation, provided without condition and with the ability to spend capital and income generated by the grant at the Trustees' discretion. Nevertheless the express wish of the donor was that the funds be treated as an endowment. To this end the Trustees account for the grant as if it had been given as an expendable endowment fund, albeit income generated by the fund is designated thereto in line with the Trustees' objective to at least maintain (or otherwise augment) the fund created from the original grant. At their discretion, the Trustees may allocate any part of the Fund to support the aims and objectives of JC.

Income

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- Income from donations or grants is recognised when there is evidence of entitlement to the gift or grant, receipt is probable and its amount can be measured reliably.

Grants are recognised in full in the statement of financial activities in the year in which they are receivable, however, when the donor imposes conditions on the period in which the expenditure can take place, this income is accounted for as deferred income and recognised as a liability until the accounting period in which JC is allowed to expend this resource.

- Investment income is recognised when receivable provided the right to receive payment has been established.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates.

The cost of charitable activities comprises grant funding and grant-funded activities, together with associated support and governance costs.

Grants are included in the financial statements either when paid or when a contractual or constructive obligation exists to pay a recipient in the future. Where grants relate to the current or prior year, have been committed and any performance criteria met, they are classified as 'grants payable' as listed in note 11. Where grants relate to future years, they are classified as 'grants committed' and the increase or decrease in grants committed at the current year-end compared with the prior year-end (see note 23) is reflected in the Statement of Financial Activities.

Grant Funding describes awards made to independent institutions or individuals, *Programme Related Costs* are carried out directly by JC, either acting on its own or in partnership with others.

Governance costs, which relate to work carried out on the public accountability of JC and its compliance with regulation and good practice, comprise an allocation from support costs apportioned on the basis of staff time or nature of expense, consistent with the use of resources.

Support costs are allocated to the core charitable activities (as set out in note 10) based on estimated staff time spent on each activity, with the exception of gallery overheads, which are deemed related solely to the Exhibitions Programme activity.

Jerwood Charity
(previously The Jerwood Charitable Foundation)
(Company Limited by Guarantee)

Notes to the Financial Statements (continued)

Year ended 31 December 2021

3. Accounting policies (continued)

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Individual items of expenditure on repairs, renewals, equipment, fixtures and fittings which exceed £1,000 are capitalised.

Depreciation

Depreciation of fixed assets is calculated to so as to spread the cost of each asset, less its estimated residual value, over its expected useful life as follows:

Computer equipment	Written off over 3 years on a straight line basis
Fixtures & furniture	Written off over 3 years on a straight line basis

Investments

Listed investments are measured at their mid-market value at the balance sheet date. All realised and unrealised gains and losses are recognised in the Statement of Financial Activities.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

4. Limited by guarantee

The company is limited by guarantee. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

Notes to the Financial Statements (continued)

Year ended 31 December 2021

5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
2021				
Grants receivable for programme activity	—	210,410	—	210,410
	<u>—</u>	<u>210,410</u>	<u>—</u>	<u>210,410</u>
2020				
Grants receivable for programme activity	60,850	560,000	—	620,850
	<u>60,850</u>	<u>560,000</u>	<u>—</u>	<u>620,850</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income generated towards grant costs	<u>4,794</u>	<u>4,794</u>	<u>2,500</u>	<u>2,500</u>

7. Investment income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
2021				
Income from listed investments	—	—	998,464	998,464
Bank interest receivable	8	43	—	51
	<u>8</u>	<u>43</u>	<u>998,464</u>	<u>998,515</u>
2020				
Income from listed investments	—	—	943,556	943,556
Bank interest receivable	62	387	—	449
	<u>62</u>	<u>387</u>	<u>943,556</u>	<u>944,005</u>

Income on investments (Endowment Fund) is analysed as follows:	2021	2020
	£	£
Other UK dividends and interest	518,359	431,585
Dividends and interest on non-uk investments	480,105	511,971
	<u>998,464</u>	<u>943,556</u>

Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

Notes to the Financial Statements (continued)

Year ended 31 December 2021

8. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Book sales and miscellaneous income	261	261	208	208

9. Investment management costs

	Endowment Funds £	Total Funds 2021 £	Endowment Funds £	Total Funds 2020 £
Portfolio management (Waverton)	135,209	135,209	121,751	121,751

10. Expenditure on charitable activities by activity type

	Programme Related Costs £	Direct Grant Funding £	Total Grant Related Costs £	Support Costs £	Total Funds 2021 £	Total Funds 2020 £
General Fund:						
Gallery Programme	100,870	53,978	154,848	288,444	443,292	410,391
Development Programme Fund	—	1,124	1,124	20,603	21,727	1,032,102
Live Work Fund	18,605	100,000	118,605	56,658	175,263	95,757
Jerwood Bursaries	5,850	87,905	93,755	41,207	134,962	82,148
Co-Commissions	—	190,000	190,000	10,302	200,302	82,362
Jerwood Arts Programmes	125,325	433,007	558,332	417,214	975,546	1,702,760
Weston Jerwood Creative Bursaries (allocated support)	—	—	—	35,314	35,314	34,000
Jerwood Compton Poetry Fellowships (allocated support)	—	—	—	20,603	20,603	9,862
	125,325	433,007	558,332	473,131	1,031,463	1,746,622
Designated Fund:						
Weston Jerwood Creative Bursaries	—	—	—	—	—	—
Jerwood Compton Poetry Fellowships	13,390	24,000	37,390	—	37,390	—
	13,390	24,000	37,390	—	37,390	—
Restricted Fund:						
Weston Jerwood Creative Bursaries	796,758	—	796,758	—	796,758	112,194
Jerwood Compton Poetry Fellowships	1,195	—	1,195	—	1,195	11,309
Live Work Fund	—	20,500	20,500	—	20,500	539,500
	797,953	20,500	818,453	—	818,453	663,003
	936,668	477,507	1,414,175	473,131	1,887,306	2,409,625

Support and governance costs are analysed further in note 14.

Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

Notes to the Financial Statements (continued)

Year ended 31 December 2021

11. Grants payable

A list of programme related costs and grants payable during the year from the General Fund is as follows:

		Of which:			
	Total	Programme	Direct	Grants to	Grants to
	Costs	Related	Grant	Institutions	Individuals
	£	Costs	Funding	£	£
Gallery Programme					
Jerwood Makers Open	69,475	45,497	23,978	–	23,978
Jerwood/Photoworks Awards	30,000	–	30,000	30,000	–
Jerwood Survey II	31,906	31,906	–	–	–
Jerwood Solo Presentations	16,684	16,684	–	–	–
Writers in Residence	6,783	6,783	–	–	–
Gallery Programme Total	154,848	100,870	53,978		
Live Work Fund	118,605	18,605	100,000	–	100,000
Jerwood Bursaries	93,755	5,850	87,905	–	87,905
Development Programme Fund					
Dance4: Re-Framing Dance			1,124	1,124	–
Development Programme Fund Total			1,124		
Co-Commissions					
Coventry City of Culture			50,000	50,000	–
Commissioning for Future Fund			125,000	125,000	–
New Diorama Theatre			15,000	15,000	–
Co-Commissions Total			190,000		
Total Grants Payable (General Fund)			433,007	221,124	211,883

12. Net gains/(losses) on investments

	Endowment	Total Funds	Endowment	Total Funds
	Funds	2021	Funds	2020
	£	£	£	£
Gains/(losses) on listed investments	2,724,492	2,724,492	982,596	982,596

13. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	5,386	3,754
Auditors remuneration (including irrecoverable VAT of £2,360)	14,158	12,180

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14. Support and governance costs

	Support costs	Governance	2021	2020
	£	£	£	£
Funding overheads	5,000	—	5,000	7,699
Gallery overheads	40,776	—	40,776	31,696
Staff	296,828	27,439	324,267	298,846
Office	31,655	2,390	34,045	36,426
Communications	20,806	78	20,884	40,722
Computers	2,143	—	2,143	2,373
Audit, accountancy and payroll	14,879	17,878	32,757	32,088
Other administration	7,073	800	7,873	4,461
Depreciation	5,386	—	5,386	3,754
	<u>424,546</u>	<u>48,585</u>	<u>473,131</u>	<u>458,065</u>

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	307,397	281,562
Social security costs	26,678	23,227
Employer contributions to pension plans	14,417	12,840
Consultancy and other employee benefits	17,723	16,251
	<u>366,215</u>	<u>333,880</u>

The above amounts include total redundancy payments of £Nil (2020: £15,921).

The average head count of employees during the year was 9 (2020: 7).

The number of employees whose emoluments, excluding pension contributions, fell into the following bands, were as follows:

	2021	2020
	£	£
£60,001 - £70,000	—	1
£70,001 - £80,000	<u>1</u>	<u>—</u>

The key management personnel of the charity comprise the Trustees, the Director (executive) and the Deputy Director. The total employee benefits, including employers NIC, of the key management personnel were £134,712 (2020: £128,764)

16. Trustee remuneration and expenses

No remuneration was paid to the Trustees during the period (2020: Nil).

Expenses paid to or on behalf of the Trustees were as below:

	2021	2020
	£	£
Trustees' Indemnity insurance premium	800	800
Trustees' expenses	<u>—</u>	<u>—</u>
	<u>800</u>	<u>800</u>

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17. Transfers between funds

	General Fund £	Designated Fund £	Restricted Fund £	Endowment Fund £
Funds made available for current year expenditure	1,445,000	-	-	(1,445,000)
Funds designated for Jerwood Compton Poetry Fellowships	(37,390)	37,390	-	-
Increase in provision for current & prior year grants accrued or committed at the year end	(417,743)	-	-	417,743
Decrease in provision for future-year grants contractually committed at the year end	(105,370)	-	-	105,370
Decrease in provision for future-year grants accrued at the year end	(1,890)	-	-	1,890
	<u>882,607</u>	<u>37,390</u>	<u>-</u>	<u>(919,997)</u>

18. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 Jan 2021	7,676	16,920	24,596
Additions	-	2,240	2,240
At 31 December 2021	<u>7,676</u>	<u>19,160</u>	<u>26,836</u>
Depreciation			
At 1 January 2021	6,868	7,158	14,026
Charge for the year	330	5,056	5,386
At 31 December 2021	<u>7,198</u>	<u>12,214</u>	<u>19,412</u>
Carrying amount			
At 31 December 2021	<u>478</u>	<u>6,946</u>	<u>7,424</u>
At 31 December 2020	<u>808</u>	<u>9,762</u>	<u>10,570</u>

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19. Investments

	2021 £	2020 £
Market value at 1 January 2021	31,089,757	29,740,189
Additions	2,704,878	6,290,456
Disposal proceeds	(3,187,181)	(5,923,484)
Net gains on revaluation and disposal	2,724,492	982,596
Market value at 31 December 2021	33,331,946	31,089,757
Cash held within the portfolio	597,100	702,231
Total investments at 31 December 2021	33,929,046	31,791,988

All investments shown above are held at valuation.

The investments are split between the following funds:

	2021 £	2020 £
Waverton Main Fund	33,929,046	31,791,988
	33,929,046	31,791,988

Investments are analysed as follows:

	Investments in the UK £	Investments outside the UK £	Total £
2021			
Cash and cash equivalents	597,100	–	597,100
Other listed investments	7,527,744	25,804,202	33,331,946
	8,124,844	25,804,202	33,929,046
2020			
Cash and cash equivalents	702,231	–	702,231
Other listed investments	7,272,679	23,817,078	31,089,757
	7,974,910	23,817,078	31,791,988

There were no individual investments that were considered to be material in the context of the portfolio's total market value (2020: None).

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Year ended 31 December 2021

20. Debtors

	2021 £	2020 £
General Fund:		
Prepayments and accrued income	2,921	4,784
	<u>2,921</u>	<u>4,784</u>
Restricted Fund:		
Grant funding accrued	171,167	412,863
Prepayments	-	3,840
	<u>171,167</u>	<u>416,703</u>
Endowment Fund:		
Accrued income: Dividends receivable	45,699	37,518
	<u>219,787</u>	<u>459,005</u>

21. Creditors: amounts falling due within one year

	2021 £	2020 £
General Fund:		
Grants and grant-funded activities payable	174,509	469,558
Grants committed (future years)	72,140	107,110
Accruals and deferred income	25,027	23,242
Social security and other taxes	-	-
Other creditors	5,428	1,294
	<u>277,104</u>	<u>601,204</u>
Designated Fund:		
Grant-funded activities committed (future years)	-	-
	<u>-</u>	<u>-</u>
Restricted Fund:		
Grant-funded activities payable	37,625	15,780
Grant-funded activities committed (future years)	171,290	759,070
	<u>208,915</u>	<u>774,850</u>
Endowment Fund:		
Accruals	35,042	32,549
	<u>35,042</u>	<u>32,549</u>
Total Creditors: amounts falling due within one year	<u>521,061</u>	<u>1,408,603</u>

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22. Creditors: amounts falling due after more than one year

	2021 £	2020 £
General Fund:		
Grants payable	-	124,584
Grants committed (future years)	-	70,400
	<u>-</u>	<u>194,984</u>
Restricted Fund:		
Grant-funded activities committed (future years)	-	86,110
	<u>-</u>	<u>86,110</u>
Total Creditors: amounts falling due after more than one year	<u>-</u>	<u>281,094</u>

23. Grant commitments (future years)

	General Fund £	Restricted Fund £	Total £
Provision at 31 December 2020	177,510	845,180	1,022,690
Change in provision during the year	(105,370)	(673,890)	(779,260)
Provision at 31 December 2021	<u>72,140</u>	<u>171,290</u>	<u>243,430</u>

Grant commitments accrued:

Where JC has communicated a contractual or constructive obligation to the proposed grant beneficiary for a future year, the relevant sums have been accrued in the financial statements (see notes 21 and 22) in line with the requirements of Charities SORP (FRS102), as follows:

	2021 £	2020 £
Due within one year	243,430	866,180
Due within 2-5 years	-	156,510
	<u>243,430</u>	<u>1,022,690</u>

Grant commitments and other programme related costs not accrued:

Grants and other programme related costs that are internally committed but not due at the balance sheet date, regarding which the charity does not have such an obligation to a beneficiary, are not accrued in these financial statements, and are as follows:

	2021 £	2020 £
Due within one year:		
General Fund	26,847	91,553
Designated Fund	-	37,390
Restricted Fund	468,194	397,365
	<u>495,041</u>	<u>526,308</u>
Due after more than one year:		
General Fund	-	24,473
Restricted Fund	-	166,042
	<u>-</u>	<u>190,515</u>
	<u>-</u>	<u>716,823</u>

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23. Grant commitments (future years) continued

No performance related conditions are attached to the un-accrued grant commitments at 31 December 2021, which will be funded from sums transferred routinely from the Endowment Fund to the General Fund, or from restricted funding.

24. Analysis of charitable funds

Unrestricted funds

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2021 £
Current Year						
General Fund	112,527	5,063	(926,093)	882,607	—	74,104
Jerwood Compton	—	—	(37,390)	37,390	—	—
Poetry Fellowships	—	—	—	—	—	—
	<u>112,527</u>	<u>5,063</u>	<u>(963,483)</u>	<u>919,997</u>	<u>—</u>	<u>74,104</u>
	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2020 £
Prior Year						
General Fund	128,957	63,620	(801,638)	721,588	—	112,527
Jerwood Compton	—	—	—	—	—	—
Poetry Fellowships	—	—	—	—	—	—
	<u>128,957</u>	<u>63,620</u>	<u>(801,638)</u>	<u>721,588</u>	<u>—</u>	<u>112,527</u>

The designated funds included above were established to record funds made available from the General Fund and related expenditure in respect of the programmes specified. These are operated in conjunction with the restricted funds below.

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24. Analysis of charitable funds continued

Restricted funds

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2021 £
<u>Current Year</u>						
Weston Jerwood						
Creative Bursaries	350,899	181,293	(121,368)	—	—	410,824
Jerwood Compton						
Poetry Fellowships	4,471	29,160	(23,195)	—	—	10,436
Live Work Fund	—	—	—	—	—	—
	<u>355,370</u>	<u>210,453</u>	<u>(144,563)</u>	<u>—</u>	<u>—</u>	<u>421,260</u>
<u>Prior Year</u>						
Weston Jerwood						
Creative Bursaries	1,287,386	387	(936,874)	—	—	350,899
Jerwood Compton						
Poetry Fellowships	8,280	—	(3,809)	—	—	4,471
Live Work Fund	—	560,000	(560,000)	—	—	—
	<u>1,295,666</u>	<u>560,387</u>	<u>(1,500,683)</u>	<u>—</u>	<u>—</u>	<u>355,370</u>

The Restricted Fund was established to record grants receivable and related expenditure in respect of the above listed programmes. Grants are held in a separate bank account and interest earned on the account is accumulated in the Restricted Fund.

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24. Analysis of charitable funds continued

Endowment funds

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2021 £
Current Year						
Main Endowment Fund	30,960,179	998,464	(135,209)	(919,997)	2,724,492	33,627,929
	<u>30,960,179</u>	<u>998,464</u>	<u>(135,209)</u>	<u>(919,997)</u>	<u>2,724,492</u>	<u>33,627,929</u>
Prior Year	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2020 £
Main Endowment Fund	29,877,366	943,556	(121,751)	(721,588)	982,596	30,960,179
	<u>29,877,366</u>	<u>943,556</u>	<u>(121,751)</u>	<u>(721,588)</u>	<u>982,596</u>	<u>30,960,179</u>

The Endowment Fund is in effect a designated fund, set aside by the Trustees in accordance with the wishes of the donor of the original grant (the Jerwood Foundation) as if it were an expendable endowment (capital) fund. Further information on the accounting treatment of the fund is set out in the Trustees' Report on page 6 and the accounting policies on page 20. It is invested to provide income and capital growth out of which to make future grants, with the long-term aim of maintaining the capital value of the fund in real terms.

25. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Current Year				
Tangible fixed assets	7,424	-	-	7,424
Investments	311,774	-	33,617,272	33,929,046
Current assets	32,010	630,175	45,699	707,884
Creditors less than 1 year	(277,104)	(208,915)	(35,042)	(521,061)
Creditors greater than 1 year	-	-	-	-
Net assets	<u>74,104</u>	<u>421,260</u>	<u>33,627,929</u>	<u>34,123,293</u>
Prior Year	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Tangible fixed assets	10,570	-	-	10,570
Investments	836,778	-	30,955,210	31,791,988
Current assets	61,367	1,216,330	37,518	1,315,215
Creditors less than 1 year	(601,204)	(774,850)	(32,549)	(1,408,603)
Creditors greater than 1 year	(194,984)	(86,110)	-	(281,094)
Net assets	<u>112,527</u>	<u>355,370</u>	<u>30,960,179</u>	<u>31,428,076</u>

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26. Contingent asset

At the year end the charity had confirmed total grant income from Art Fund (£150,000) and Arts Council Wales (£125,000) in support of a new Jerwood Transforming Leadership Programme, incorporating the fourth edition of the Weston Jerwood Creative Bursaries Programme. As at the year ended 31 December 2021 cumulative amounts of £105,000 and £112,500 respectively have been recognised as restricted income having met the conditions for their receipt. The remaining balances, totalling £57,500 (2020: £188,750), are subject to conditions that it is anticipated will be met in full by the charity and consequently represents a contingent asset that has not been provided for within these financial statements.

27. Related party transactions

As described in the Trustees' Annual Report, JC shares office premises with Jerwood Space Limited and, during the year under review, JC made a donation to Jerwood Space Limited of £43,500 in recognition of the space provided.

Apart from emoluments or reimbursement of expenses properly laid out on behalf of JC, no other transactions took place with related parties, including key personnel, during the year.