

COMPANY REGISTRATION NUMBER: 03679284
CHARITY REGISTRATION NUMBER: 1074036

Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

Financial Statements

31 December 2020



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Financial Statements

Year ended 31 December 2020

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Jerwood Charity
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Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 December 2020

The Trustees, who are also the directors for the purposes of company law, present their report and the financial statements of Jerwood Charity ("JC" – previously The Jerwood Charitable Foundation) for the year ended 31 December 2020. The charitable company's change of name was formally registered on 22 January 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 Vanessa Engle (resigned 5th February 2020) Tim Eyles (resigned 28 October 2020, outgoing Chairman) Katharine Goodison Thomas Grieve Catrin Griffiths Philippa Hogan-Hern (resigned 3 September 2020) Rupert Tyler (Chairman with effect from 29 October 2020) 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 2020

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 outstanding UK artists, curators and producers to develop and thrive. We collaborate with organisations across art forms to imagine a more sustainable sector. Our programmes provide transformative opportunities for early-career individuals through awards, fellowships and commissions, and we present exhibitions in our gallery in London and on tour nationally.

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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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

All our funding processes 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.

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.

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.

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.

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OBJECTIVES AND ACTIVITIES (continued)

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 Black, Asian and ethnically diverse artists. Not only making sure that our funding, exhibitions and awards are representative overall but that the most transformative opportunities we offer are accessed by artists facing discrimination and structural barriers. 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. We are committed to deepening our understanding of the barriers early-career artists of all kinds face to fulfilling their potential and finding ways to make our processes more inclusive.

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.

Context:

The Covid-19 pandemic created an unprecedented and extraordinarily challenging context for our beneficiaries and our programmes. We reviewed this operating environment regularly through the year and adjusted our funding and operational plans accordingly to ensure our grant holders and supported artists had appropriate financial and non-financial support from JC. The economic impact of the pandemic on JC's own financial position, meant that operational budgets were reduced in-year and some planned funding opportunities were not run as originally conceived. Instead, we adapted some of our major programmes, like the Weston Jerwood Creative Bursaries, and successfully increased our fundraising from other private and public funders to enable us to deliver more resources and impact for beneficiaries, including the Live Work Fund.

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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

Activities Overview

This has been a devastating year for the arts. To support artists and organisations smitten by this new reality, we have sharpened our focus on our founding values of 'responsible, independent and imaginative' funding. We have continued to listen to artists and used our expertise to navigate and influence in a year of monumental change.

We have brought 50 new Host organisations onboard for the Weston Jerwood Creative Bursaries programme. Partnerships with Art Fund and Aberdeen Art Gallery have amplified the Jerwood Art Fund Makers Open 2021, and Leeds Art Gallery have joined us for the next edition of Jerwood/FVU Awards. The Live Work Fund has brought us together with Wolfson Foundation, Esmée Fairbairn Foundation and The Linbury Trust in response to COVID-19. This £660k fund goes beyond hardship funding, with 33 awards of £20k each that will enable artists to transform their practice and create new work.

Following a hugely successful second edition of the Jerwood/Photoworks Awards in the first part of the year, we have worked hard to adapt and reschedule our annual exhibition and events programme. The breadth of our experience has enabled us to support funded organisations to recalibrate their artist development programmes. We were also able to be more flexible with our Jerwood Bursaries for individuals.

We were thrilled to be able to open the postponed Jerwood/FVU Awards: Hindsight in October. With the support of the team at Jerwood Space we could celebrate major new commissions by Guy Oliver and Reman Sedani.

We have embraced being able to deliver our events programme online, and hugely valued reaching new audiences. Our Jerwood Compton Poetry Fellowship Takeover celebrated the works of Hafsa Aneela Bashir, Anthony Joseph and Yomi Sode, while live Q&A events to support new applicants went viral on YouTube.

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ACHIEVEMENTS AND PERFORMANCE (continued)

Our trustees and staff team have also changed this year. After 15 years of dedicated and invaluable service, Tim Eyles handed the Chairmanship to Rupert Tyler, long time trustee and Chairman of the Finance and Investment Committee. Trustees Vanessa Engle and Philippa Hogan-Hern also stepped down in the year. We would like to thank them for their tireless enthusiasm, dedication and support. Appointment processes for a new Chairman of the Finance and Investment Committee and other trustees have begun.

We are very proud of how we have adapted and helped others to adapt - inspired by the creative resilience of the artists and arts organisations throughout the UK. The successes of 2020 renew our confidence in our ability to change and continue to devote our support to the full panoply of the arts.

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 at 31 December 2020, a cumulative total of £57,935 of funding from Arts Council England had been received for the Jerwood Compton Poetry Fellowships and has been recorded within the restricted funds of the charity. This programme commenced activity in 2017 and runs through three editions between then and 2021.

During the previous financial year, JC also secured funding of £1,489,955 for the Jerwood Transforming Leadership Programme, which 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) and PRS Foundation (£20,000). To date, an amount of £1,291,205 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 2021 and 2022.

Financial position

After making full provision for grants committed at the year end, net funds increased over the year by £126,087 (2019: £3,977,443); 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 £2,302,321 (2019: £2,041,470), investment management costs £121,751 (2019: £128,584). Further analysis of expenditure on charitable activities is provided in the notes to these financial statements.

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.

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FINANCIAL REVIEW (continued)

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 2020 amounted to £30,960,179, in addition to which the organisation held a balance of £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 2020 the total return target was CPI+3% for the year. Funds continue to be managed by investment managers, Waverton. At the year-end, 25.1% (2019: 28.6%) 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 2020 was +7.69% (2019: 16.42%) compared with the increase in the Consumer Price Index for last year of +0.8% (2019: +1.31%). During the year under review, Endowment Fund investment income amounted to £943,556 (2019: £1,054,673), realised losses on disposals were £806,035 (2019: gains £877,633), and unrealised gains on revaluation were £1,788,631 (2019: gains £2,745,075).

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 2020 at £31,791,988 (2019: £31,181,750).

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 since increased in value as compared with the end of the previous financial year.

However the Trustees remain mindful of anticipated lower income yields which has been considered in their revised forecasts. Budgets have been reduced in-year, and a more cautious approach to programme delivery and grant commitments has been adopted. 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.

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PLANS FOR FUTURE PERIODS

To deliver JC's Strategic Plan 2019-22, our funding and exhibition programme activity in 2021 includes:

- Continue to work with leading arts organisations from across the artistic spectrum, from Apples and Snakes to Whitstable Biennale, from Edinburgh to Belfast, awarded funding to support specialist early-career artist development programmes across the UK over the next year through the Development Programme Fund.
- Deliver the critically acclaimed Survey II and Jerwood Solo Presentations, postponed from 2020 due to the pandemic, as part of our 2021 Exhibitions and Events programme.
- Support the commission and exhibition of five exciting artists working with craft practices through the Jerwood Art Fund Makers Open, in partnership with Art Fund and Aberdeen Art Gallery.
- Develop new two film commissions with Film and Video Umbrella, as part of the sector-leading programme Jerwood/FVU Awards; these films will be premiered in 2022.
- Offer three new commissioning opportunities for artists working with photography through the fourth edition of the Jerwood/Photoworks Awards, and support the artists to realise significant new bodies of work to be exhibited in 2022.
- Deliver the Live Work Fund with funding from the Wolfson Foundation, Esmée Fairbairn Foundation and The Linbury Trust, supporting 33 artists whose livelihoods relied on performance to adjust their practices and thrive.
- With the support of a consortium of national and private funders, 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. In 2020, we began the latest edition of the programme, recruiting 50 leading arts or cultural Host organisations to act on socio-economic diversity and inclusion in the arts, through the creation of 50 paid, year-long creative Fellowships and taking part in an 18-month Organisational Change programme.
- Jerwood Bursaries 2021 for individual artists, curators and producers to apply for up to £2,000 to undertake professional development and/or to kick-start new ideas.
- The second year of a partnership to support PRS Foundations' Composer Fund, enabling the fund to focus on early-career composers writing primarily for live performance across musical genres
- Support organisations to realise commissions at a national level: in 2021 these will include partnerships with Activate, Coventry City of Culture Trust and SPILL Festival.
- Continue to seek opportunities to collaborate with other private and public funders to generate new opportunities for beneficiaries.

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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 2020 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 were two cases of shared trustees within the family; Tim Eyles, outgoing Chairman of JC, was also a Director of JS until 27 October 2020; and Philippa Hogan-Hern, Executive Director of Jerwood Limited, was a Trustee of JC and a Director of JS until 31 August 2020.

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 2020, there were three Trustee resignations: Tim Eyles, Philippa Hogan-Hern and Vanessa Engle. Rupert Tyler was appointed as Chairman of JC.

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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. The new organisational structure in 2020 introduced assistant, manager and SMT levels in which roles sit, with corresponding pay bands which were benchmarked to arts and charity sector standards.

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 COVID-19 on JC and its operating environment were the main areas for new risk factors facing the organisation.

The economic impact of the pandemic affected the performance of the Endowment Fund. Responding to this, the Risk Management committee oversaw in-year budgeting to reduce overheads and manage commitments to ensure its immediate impact on beneficiaries was not diminished and the long-term financial sustainability of the organisation was not impaired.

The impact of COVID-19 on both organisational beneficiaries and individuals to undertake their work was also considered a high risk, including the non-completion of planned work, increased fraud and business failure. Close working relationships with beneficiaries and relaxed grant conditions enabled JC to work successfully in partnership with existing and new beneficiaries throughout the year.

The committee also addressed operational risks around staff capacity to deliver work, working from home and loss of key personnel and Trustees. Finally, responsibilities around equality, diversity and inclusion were discussed in response to issues and inequalities brought more sharply into focus by COVID-19 to ensure JC kept pace with its operating environment and supported its beneficiaries and applicants appropriately.

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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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

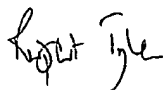
Each of the persons who is a trustee at the date of approval of this report confirms that:

- 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 27 April 2021 and signed on behalf of the board of trustees by:



Rupert Tyler
Chairman

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

Year ended 31 December 2020

Opinion

We have audited the financial statements of Jerwood Charity ('the company') for the year ended 31 December 2020 which comprises 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 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 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 2020 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. 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 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 2020

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

Year ended 31 December 2020

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.

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

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.

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.

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.

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

Year ended 31 December 2020

- 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.

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.

Moore Kingston Smith LLP

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

Date: 2 June 2021

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 2020

		Unrestricted Funds		Restricted funds	Endowment funds	2020 Total funds	2019 Total funds
	Note	General	Designated	£	£	£	£
Income and endowments							
Charitable activities	5	60,850	–	560,000	–	620,850	1,455,352
Other trading activities	6	2,500	–	–	–	2,500	14,130
Investment income	7	62	–	387	943,556	944,005	1,054,968
Other income	8	208	–	–	–	208	339
Total income		<u>63,620</u>	<u>–</u>	<u>560,387</u>	<u>943,556</u>	<u>1,567,563</u>	<u>2,524,789</u>
Expenditure							
Expenditure on raising funds:							
Investment management costs	9	–	–	–	121,751	121,751	128,584
Expenditure on charitable activities:							
Jerwood Arts programmes		1,702,760	–	539,500	–	2,242,260	1,351,205
Weston Jerwood Creative Bursaries		34,000	–	112,194	–	146,194	354,678
Jerwood Compton Poetry Fellowships		9,862	–	11,309	–	21,171	64,724
	10	1,746,622	–	663,003	–	2,409,625	1,770,607
Future grants committed	23	(944,984)	–	837,680	–	(107,304)	270,863
Total for charitable activities		<u>801,638</u>	<u>–</u>	<u>1,500,683</u>	<u>–</u>	<u>2,302,321</u>	<u>2,041,470</u>
Total expenditure		<u>801,638</u>	<u>–</u>	<u>1,500,683</u>	<u>121,751</u>	<u>2,424,072</u>	<u>2,170,054</u>
Net gains/(losses) on investments							
	12	–	–	–	982,596	982,596	3,622,708
Net (expenditure)/income		<u>(738,018)</u>	<u>–</u>	<u>(940,296)</u>	<u>1,804,401</u>	<u>126,087</u>	<u>3,977,443</u>
Transfers between funds	17	721,588	–	–	(721,588)	–	–
Net movement in funds		<u>(16,430)</u>	<u>–</u>	<u>(940,296)</u>	<u>1,082,813</u>	<u>126,087</u>	<u>3,977,443</u>
Reconciliation of funds							
Total funds brought forward		128,957	–	1,295,666	29,877,366	31,301,989	27,324,546
Total funds carried forward		<u>112,527</u>	<u>–</u>	<u>355,370</u>	<u>30,960,179</u>	<u>31,428,076</u>	<u>31,301,989</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 35 form part of these financial statements.

Jerwood Charity
(previously The Jerwood Charitable Foundation)

(Company Limited by Guarantee)

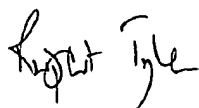
Statement of Financial Position

31 December 2020

		2020	2019
		£	£
Fixed assets			
Tangible fixed assets	18	10,570	4,340
Investments	19	31,791,988	31,181,750
		<u>31,802,558</u>	<u>31,186,090</u>
Current assets			
Debtors	20	459,005	925,402
Cash at bank and in hand		856,210	523,019
		<u>1,315,215</u>	<u>1,448,421</u>
Creditors: amounts falling due within one year	21	(1,408,603)	(847,680)
Net current liabilities		<u>(93,388)</u>	<u>600,741</u>
Total assets less current liabilities		<u>31,709,170</u>	<u>31,786,831</u>
Creditors: amounts falling due after more than one year	22	(281,094)	(484,842)
Net assets		<u>31,428,076</u>	<u>31,301,989</u>
Funds of the charity			
Endowment funds		30,960,179	29,877,366
Restricted funds		355,370	1,295,666
Unrestricted funds		112,527	128,957
Total charity funds	25	<u>31,428,076</u>	<u>31,301,989</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 27 April 2021, and are signed on behalf of the board by:



Rupert Tyler *Chairman*

Company No: 03679284

The notes on pages 19 to 35 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 2020

	2020 £	2019 £
Cash flows from operating activities		
Net income	126,087	3,977,443
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	3,754	1,535
Net (gains)/losses on investments	(982,596)	(3,622,708)
Dividends, interest and rents from investments	(943,556)	(1,054,673)
Other interest receivable and similar income	(449)	(295)
<i>Changes in:</i>		
Trade and other debtors	465,666	(884,328)
Trade and other creditors	357,175	312,072
Cash used in operations	(973,919)	(1,270,954)
Interest received	449	295
Net cash used in operating activities	(973,470)	(1,270,659)
Cash flows from investing activities		
Dividends, interest and rents from investments	944,287	1,039,598
Purchase of tangible assets	(9,984)	(3,354)
Purchases of other investments	(6,290,456)	(8,124,981)
Proceeds from sale of other investments	5,923,484	9,578,431
Net cash from investing activities	567,331	2,489,694
Net (decrease)/increase in cash and cash equivalents	(406,139)	1,219,035
Cash and cash equivalents at beginning of year	1,964,580	745,545
Cash and cash equivalents at end of year	1,558,441	1,964,580
Analysis of cash and cash equivalents		
	2020 £	2019 £
Cash at bank	856,210	523,019
Cash held in investment portfolio (note 19)	702,231	1,441,561
Cash and cash equivalents at end of year	1,558,441	1,964,580

The notes on pages 19 to 35 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 2020

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. There are no material uncertainties about the charity's ability to continue. The Trustees have reviewed the charity's forecasts, particularly in light of the recent Covid-19 outbreak with its consequential impact on the charity's programme delivery and the value of the charity's investments. Whilst markets remain volatile, there are anticipated lower returns expected from investments which has been considered in the forecasts and in-year budgets have been reduced as a result. Although Covid-19 has impacted the value of the charity's investments and expected returns, in the Trustees opinion there are sufficient funds available within the investment portfolio to fulfil the charity's obligations and continue its charitable activities 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 2020

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
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Notes to the Financial Statements (continued)

Year ended 31 December 2020

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 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
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Notes to the Financial Statements (continued)

Year ended 31 December 2020

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 2020

5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
2020				
Grants receivable for programme activity	60,850	560,000	–	619,850
	<u>60,850</u>	<u>560,000</u>	<u>–</u>	<u>619,850</u>
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £
2019				
Grants receivable for programme activity	–	1,455,352	–	1,455,352
	<u>–</u>	<u>1,455,352</u>	<u>–</u>	<u>1,455,352</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Income generated towards grant costs	2,500	2,500	14,130	14,130
	<u>2,500</u>	<u>2,500</u>	<u>14,130</u>	<u>14,130</u>

7. Investment income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
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>
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
2019				
Income from listed investments	–	–	1,054,673	1,054,673
Bank interest receivable	84	211	–	295
	<u>84</u>	<u>211</u>	<u>1,054,673</u>	<u>1,054,968</u>

Income on investments (Endowment Fund) is analysed as follows:	2020	2019
	£	£
Other UK dividends and interest	431,585	500,333
Dividends and interest on non-uk investments	511,971	554,340
	<u>943,556</u>	<u>1,054,673</u>

Jerwood Charity
(previously *The Jerwood Charitable Foundation*)

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Notes to the Financial Statements (continued)

Year ended 31 December 2020

8. Other income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Book sales and miscellaneous income	208	208	339	339

9. Investment management costs

	Endowment Funds £	Total Funds 2020 £	Endowment Funds £	Total Funds 2019 £
Portfolio management (Waverton)	121,751	121,751	128,584	128,584

10. Expenditure on charitable activities by activity type

	Programme Related Costs £	Direct Grant Funding £	Total Grant Related Costs £	Support Costs £	Total Funds 2020 £	Total Funds 2019 £
General Fund:						
Jerwood Visual Arts (Historic) Gallery Programme	–	–	–	–	–	34,826
Development Programme Fund	23,229	130,750	153,979	256,412	410,391	529,583
Jerwood New Work Fund	–	1,002,516	1,002,516	29,586	1,032,102	429,405
Live Work Fund	–	–	–	–	–	230,386
Jerwood Bursaries	21,793	–	21,793	73,964	95,757	–
Co-Commissions	–	37,769	37,769	44,379	82,148	99,575
	–	72,500	72,500	9,862	82,362	27,430
Jerwood Arts Programmes	45,022	1,243,535	1,288,557	414,203	1,702,760	1,351,205
Weston Jerwood Creative Bursaries (allocated support)	–	–	–	34,000	34,000	89,577
Jerwood Compton Poetry Fellowships (allocated support)	–	–	–	9,862	9,862	9,954
	45,022	1,243,535	1,288,557	458,065	1,746,622	1,450,736
Designated Fund:						
Weston Jerwood Creative Bursaries	–	–	–	–	–	3,364
Jerwood Compton Poetry Fellowships	–	–	–	–	–	36,425
	–	–	–	–	–	39,789
Restricted Fund:						
Weston Jerwood Creative Bursaries	112,194	–	112,194	–	112,194	261,737
Jerwood Compton Poetry Fellowships	11,309	–	11,309	–	11,309	18,345
Live Work Fund	–	539,500	539,500	–	539,500	–
	123,503	539,500	663,003	–	663,003	280,082
	168,525	1,783,035	1,951,560	458,065	2,409,625	1,770,607

Support and governance costs are analysed further in note 14.

Jerwood Charity
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(Company Limited by Guarantee)

Notes to the Financial Statements (continued)

Year ended 31 December 2020

11. Grants payable

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

	Of which:			Grants to	Grants to
	Total	Programme	Direct	Institutions	Individuals
	Costs	Related	Grant		
	£	Costs	Funding	£	£
Gallery Programme					
Jerwood/FVU Awards	57,100	–	57,100	57,100	–
Collaborate! Exhibition	(1,517)	(1,517)	–	–	–
Jerwood Makers Open	39,997	9,997	30,000	–	30,000
Jerwood/Photoworks Awards	10,000	–	10,000	10,000	–
Jerwood Survey II	34,540	4,040	30,500	–	30,500
Jerwood Solo Presentations	9,360	9,360	–	–	–
Writers in Residence	4,499	1,349	3,150	–	3,150
Gallery Programme Total	153,979	23,229	130,750		
Development Programme Fund					
Camden People's Theatre: Home Run			(500)	(500)	–
14-18NOW: Represent 2018			10,000	–	10,000
OTO Projects UK Artists Residency Fund			200	200	–
Apples and Snakes: Jerwood Poetry in Performance			71,200	71,200	–
Cheltenham Festivals: Jerwood Jazz Encounters			60,350	60,350	–
Common: Common Playwriting Programme			1,313	1,313	–
Dance4: Re-Framing Dance			34,876	34,876	–
FACT: Jerwood FACT Fellowships Programme			63,522	63,522	–
Fierce Further: Jerwood Commissions			34,800	34,800	–
G39: Jerwood UNITE			62,430	62,430	–
Gate Theatre: Jerwood Young Designers			50,000	50,000	–
Glyndebourne: Jerwood Young Artists			50,000	50,000	–
Heart n Soul: Don't Step On My Burger			15,500	15,500	–
Imaginate: Jerwood Explore Fellowships			58,280	58,280	–
London Symphony Orchestra: Jerwood Composers+			5,000	5,000	–
Milk Presents: Making an Entrance			40,000	40,000	–
National Centre for Circus Arts: Jerwood Circus Residencies			67,230	67,230	–
Newlyn Art Gallery & The Exchange:					
The Jerwood Newlyn Residency			47,000	47,000	–
Prime Cut Productions: Reveal 2.0			60,000	60,000	–
Royal Court Theatre: Jerwood New Playwrights			50,000	50,000	–
Royal Liverpool Philharmonic:					
Elite Performance in Professional Musicians			26,550	26,550	–
Somerset House Trust: Sonic Terrains			31,000	31,000	–
The Tetley: The Tetley Jerwood Commissions			30,865	30,865	–
Whitstable Biennale: Jerwood Artist Attachments			30,000	30,000	–
Yorkshire Dance: Dance for Arts Sake			42,900	42,900	–
Young Vic: Jerwood Assistant Directors			60,000	60,000	–
Development Programme Fund Total			1,002,516		
Grants payable subtotal carried forward			1,133,266	1,059,616	73,650

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Notes to the Financial Statements (continued)

Year ended 31 December 2020

11. Grants payable (continued)

	Direct Grant Funding £	Grants to Institutions £	Grants to Individuals £
<i>Grants payable subtotal brought forward</i>	<i>1,133,266</i>	<i>1,059,616</i>	<i>73,650</i>
<u>Co-Commissions</u>			
Activate Performing Arts: Inside Out Dorset 2020	20,000	20,000	
Pacitti Company: Sonia Hughes Commission	12,500	12,500	
PRS Foundation: Composers Fund	40,000	40,000	
Co-Commissions Total	<u>72,500</u>		
Jerwood Bursaries	<u>37,769</u>	–	37,769
Total Grants Payable (General Fund)	<u>1,243,535</u>	<u>1,132,116</u>	<u>111,419</u>

12. Net gains/(losses) on investments

	Endowment Funds £	Total Funds 2020 £	Endowment Funds £	Total Funds 2019 £
Gains/(losses) on listed investments	<u>982,596</u>	<u>982,596</u>	<u>3,622,708</u>	<u>3,622,708</u>

13. Net income/(expenditure)

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

	2020 £	2019 £
Depreciation of tangible fixed assets	3,754	1,535
Auditors remuneration (including irrecoverable VAT of £2,030)	<u>12,180</u>	<u>11,190</u>

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14. Support and governance costs

	Support costs	Governance	2020	2019
	£	£	£	£
Funding overheads	7,699	–	7,699	24,338
Gallery overheads	31,696	–	31,696	59,533
Staff	272,528	26,318	298,846	306,022
Office	33,241	3,185	36,426	35,441
Communications	40,325	397	40,722	90,925
Computers	2,373	–	2,373	2,195
Audit, accountancy and payroll	15,926	16,162	32,088	31,105
Other administration	3,661	800	4,461	6,087
Depreciation	3,754	–	3,754	1,535
	<u>411,203</u>	<u>46,862</u>	<u>458,065</u>	<u>557,181</u>

15. Staff costs

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

	2020	2019
	£	£
Wages and salaries	281,562	260,473
Social security costs	23,227	22,984
Employer contributions to pension plans	12,840	11,692
Consultancy and other employee benefits	16,251	10,873
	<u>333,880</u>	<u>306,022</u>

The above amounts include total redundancy payments of £15,921 (2019: Nil).

The average head count of employees during the year was 7 (2019: 9).

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

	2020	2019
	£	£
£60,001 - £70,000	<u>1</u>	<u>1</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 £128,764 (2019: £124,109)

16. Trustee remuneration and expenses

No remuneration was paid to the Trustees during the period (2019: Nil).

Expenses paid to or on behalf of the Trustees were as below; the expenses comprise theatre and travel costs paid on behalf of Nil Trustees (2019: 2)

	2020	2019
	£	£
Trustees' Indemnity insurance premium	800	759
Trustees' expenses	<u>–</u>	<u>320</u>
	<u>800</u>	<u>1,079</u>

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Year ended 31 December 2020

17. Transfers between funds

	General Fund £	Designated Fund £	Restricted Fund £	Endowment Fund £
Funds made available for current year expenditure	1,195,000	-	-	(1,195,000)
Increase in provision for current & prior year grants accrued or committed at the year end	472,682	-	-	(472,682)
Decrease in provision for future-year grants contractually committed at the year end	(944,984)	-	-	944,984
Decrease in provision for future-year grants accrued at the year end	(1,110)	-	-	1,110
	<u>721,588</u>	<u>-</u>	<u>-</u>	<u>(721,588)</u>

18. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 Jan 2020	12,123	10,343	22,466
Additions	1,000	8,984	9,984
Disposals	(5,447)	(2,407)	(7,854)
At 31 December 2020	<u>7,676</u>	<u>16,920</u>	<u>24,596</u>
Depreciation			
At 1 January 2020	12,123	6,003	18,126
Charge for the year	192	3,562	3,754
Disposals	(5,447)	(2,407)	(7,854)
At 31 December 2020	<u>6,868</u>	<u>7,158</u>	<u>14,026</u>
Carrying amount			
At 31 December 2020	<u>808</u>	<u>9,762</u>	<u>10,570</u>
At 31 December 2019	<u>-</u>	<u>4,340</u>	<u>4,340</u>

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Year ended 31 December 2020

19. Investments

	2020 £	2019 £
Market value at 1 January 2020	29,740,189	27,570,931
Additions	6,290,456	8,124,981
Disposal proceeds	(5,923,484)	(9,578,431)
Net gains on revaluation and disposal	982,596	3,622,708
Market value at 31 December 2020	31,089,757	29,740,189
Cash held within the portfolio	702,231	1,441,561
Total investments at 31 December 2020	31,791,988	31,181,750

All investments shown above are held at valuation.

The investments are split between the following funds:

	2020 £	2019 £
Waverton Main Fund	31,791,988	31,181,750
	31,791,988	31,181,750

Investments are analysed as follows:

	Investments in the UK £	Investments outside the UK £	Total £
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
2019			
Cash and cash equivalents	1,441,561	–	1,441,561
Other listed investments	7,473,275	22,266,914	29,740,189
	8,914,836	22,266,914	31,181,750

There were no individual investments representing more than 5% of the portfolio's total market value (2019: None).

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

20. Debtors

	2020 £	2019 £
General Fund:		
Prepayments and accrued income	4,784	1,091
Parker Harris client accounts	-	-
	<u>4,784</u>	<u>1,091</u>
Restricted Fund:		
Grant funding accrued	412,863	886,062
Prepayments	3,840	-
	<u>416,703</u>	<u>886,062</u>
Endowment Fund:		
Accrued income: Dividends receivable	37,518	38,249
	<u>459,005</u>	<u>925,402</u>

21. Creditors: amounts falling due within one year

	2020 £	2019 £
General Fund:		
Grants and grant-funded activities payable	469,558	120,370
Grants committed (future years)	107,110	638,852
Accruals and deferred income	23,242	22,163
Social security and other taxes	-	-
Other creditors	1,294	2,740
	<u>601,204</u>	<u>784,125</u>
Designated Fund:		
Grant-funded activities committed (future years)	-	-
	<u>-</u>	<u>-</u>
Restricted Fund:		
Grant-funded activities payable	15,780	23,611
Grant-funded activities committed (future years)	759,070	7,500
	<u>774,850</u>	<u>31,111</u>
Endowment Fund:		
Accruals	32,549	32,444
	<u>32,549</u>	<u>32,444</u>
Total Creditors: amounts falling due within one year	<u>1,408,603</u>	<u>847,680</u>

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Notes to the Financial Statements (continued)

Year ended 31 December 2020

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

	2020 £	2019 £
General Fund:		
Grants payable	124,584	1,200
Grants committed (future years)	70,400	483,642
	<u>194,984</u>	<u>484,842</u>
Restricted Fund:		
Grant-funded activities committed (future years)	86,110	-
	<u>86,110</u>	<u>-</u>
Total Creditors: amounts falling due after more than one year	<u>281,094</u>	<u>484,842</u>

23. Grant commitments (future years)

	General Fund £	Designated Fund £	Restricted Fund £	Total £
Provision at 31 December 2019	1,122,494	-	7,500	1,129,994
Change in provision during the year	(944,984)	-	837,680	(107,304)
Provision at 31 December 2020	<u>177,510</u>	<u>-</u>	<u>845,180</u>	<u>1,022,690</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:

	2020 £	2019 £
Due within one year	866,180	646,352
Due within 2-5 years	156,510	483,642
	<u>1,022,690</u>	<u>1,129,994</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:

	2020 £	2019 £
Due within one year:		
General Fund	91,553	149,221
Designated Fund	37,390	37,390
Restricted Fund	397,365	11,856
	<u>526,308</u>	<u>198,467</u>
Due after more than one year:		
General Fund	24,473	-
Restricted Fund	166,042	-
	<u>190,515</u>	<u>-</u>
	<u>716,823</u>	<u>198,467</u>

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Year ended 31 December 2020

23. Grant commitments (future years) continued

No performance related conditions are attached to the un-accrued grant commitments at 31 December 2020, 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 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2020 £
Current 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>
	At 1 January 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2019 £
Prior Year						
General Fund	120,158	14,553	(1,895,153)	1,889,399	–	128,957
Jerwood Compton Poetry Fellowships	–	–	(36,425)	36,425	–	–
	<u>120,158</u>	<u>14,553</u>	<u>(1,931,578)</u>	<u>1,925,824</u>	<u>–</u>	<u>128,957</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 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2020 £
<u>Current 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>
<u>Prior Year</u>						
Weston Jerwood Creative Bursaries	(58,050)	1,440,983	(95,547)	–	–	1,287,386
Jerwood Compton Poetry Fellowships	8,045	14,580	(14,345)	–	–	8,280
	<u>(50,005)</u>	<u>1,455,563</u>	<u>(109,892)</u>	<u>–</u>	<u>–</u>	<u>1,295,666</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.

As at 1 January 2019, the balance of the Restricted Fund in relation to the Weston Jerwood Creative Bursaries was in deficit by £58,050, due to the requirement to provide for financial commitments made under the project that were payable in the subsequent year. The deficit created by this provision was supported by funding receivable for the project in 2019, in accordance with the relevant grant funding terms.

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24. Analysis of charitable funds continued

Endowment funds

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2020 £
Current Year						
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>
Prior Year						
	At 1 January 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2019 £
Main Endowment Fund	27,254,393	1,054,673	(128,584)	(1,925,824)	3,622,708	29,877,366
	<u>27,254,393</u>	<u>1,054,673</u>	<u>(128,584)</u>	<u>(1,925,824)</u>	<u>3,622,708</u>	<u>29,877,366</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 2020 £
Current Year				
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>
Prior Year				
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
Tangible fixed assets	4,340	–	–	4,340
Investments	1,310,189	–	29,871,561	31,181,750
Current assets	83,395	1,326,777	38,249	1,448,421
Creditors less than 1 year	(784,125)	(31,111)	(32,444)	(847,680)
Creditors greater than 1 year	(484,842)	–	–	(484,842)
Net assets	<u>128,957</u>	<u>1,295,666</u>	<u>29,877,366</u>	<u>31,301,989</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 2020 amounts of £30,000 and £56,250 respectively have been recognised as restricted income having met the conditions for their receipt. The remaining balances, totalling £188,750 (2019: £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, together with a further £1,349 for meeting room hire and refreshments and sundry cost recharges.

Jerwood Limited, a company which had one common director (resigned September 2020), recharged certain items of expenditure to JC totalling £3,780, including JC's share of costs associated with the preparation of the Jerwood Annual Report 2019.

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.