

ARTIST ROOMS FOUNDATION

REPORT AND ACCOUNTS

YEAR ENDED 31 MARCH 2017

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ARTIST ROOMS FOUNDATION

I N D E X

Year ended 31 March 2017

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ARTIST ROOMS FOUNDATION

GENERAL INFORMATION

Year ended 31 March 2017

Directors and trustees	G A d'Offay M-L Laband P Calkin
Company secretary	M-L Laband
Registered office	9 Dering Street London W1S 1AG
Charity number	1141713
Company registration number	7503618
Auditors	Dixon Wilson 22 Chancery Lane London WC2A 1LS

ARTIST ROOMS FOUNDATION

R E P O R T O F T H E T R U S T E E S

Year ended 31 March 2017

The Trustees present their report and financial statements for the year ended 31 March 2017. The financial statements have been prepared in accordance with the accounting policies set out on page 9 and comply with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Artist Rooms Foundation is a company limited by guarantee and became a registered charity on 4 May 2011. The Artist Rooms Foundation was incorporated in the UK on 24 January 2011.

Structure, governance and management

The names of the directors who served throughout the year are stated on page 2. The directors of the company are also charity trustees for the purposes of Charity law.

The liability of each guarantor in the event of a winding up is limited to £10. At 31 March 2017 there were three guarantors: G A d'Offay, M-L Laband and P Calkin.

New trustees are nominated by Ordinary Resolution or simple majority of votes at any meeting of the directors. New trustees are provided with guidance as to their responsibilities from existing trustees and from the trustees' solicitors.

Artist Rooms Foundation is governed by Memorandum and Articles of Association dated 24 January 2011. Application of income of the charity is limited to the promotion of its objects. Decisions are made by simple majority of votes cast at a meeting of the trustees.

The trustees continually assess the risks to which the charity might be exposed and adjust the charity's strategies and implementation of objects accordingly.

Objects and activities for the public benefit

The charity's objects are specifically restricted to the following:

- To advance the education of the public in the subject of art;
- To acquire and maintain works of art which shall be made available to museums, art galleries or any other such institutions as the directors shall agree from time to time for the benefit of the public;
- To build and construct rooms, buildings or parts of buildings to house all or part of the charity collection of works of art;
- To promote art for the benefit of the public by the establishment and maintenance of Artist Rooms within such museums, art galleries and other such institutions as the directors shall agree from time to time;
- To advance the education of the public by making available works of art for display in such museums; art galleries and other such buildings or institutions as the directors shall agree from time to time.

Achievements and performance

Artist Rooms Foundation has established an agreement with the National Galleries of Scotland and The Tate Gallery to work together to promote the Artist Rooms Collection. A number of works of art were provided on loan to both the National Galleries of Scotland and The Tate Gallery during the year.

Artist Rooms Foundation celebrates the opening of the dedicated Artist Rooms Gallery in the new wing at Tate Modern by lending a significant group of works by the renowned artist Louise Bourgeois. Artist Rooms Foundation has also made a significant contribution to the publication of 'Artist Rooms The First Five Years' and continues to maintain the Artist Rooms website which it set up in 2013. Artist Rooms Foundation continues to make long term loans of art works to Artist Rooms for exhibitions throughout the UK.

Public benefit

The Trustees, having regard to the Public benefit guidance published by the Charity Commission in accordance with section 17 of The Charities Act 2011, consider that the purpose and activities of Artist Rooms Foundation satisfy the requirements of the public benefit test set out in section 4 of the same Act.

ARTIST ROOMS FOUNDATION

REPORT OF THE TRUSTEES (continued)

Year ended 31 March 2017

Financial review and reserves policy

The accounts are set out on pages 7 to 12.

Donations amounting to £959,393 (2016 - £585,940) were received during the year. Unrestricted reserves held at 31 March 2017 amounted to £nil (2016 - £nil). The charity has endowment funds of £13,961,104 (2016 - £13,069,228) which are expendable.

Reserves policy

The charity has no significant recurring overheads and therefore has no need to maintain reserves in order to ensure its continued operation.

Reserves are not required as endowment funds can be expended as required.

Future developments

Artist Rooms Foundation will continue to work with the National Galleries of Scotland and The Tate Gallery to promote the Artist Rooms Collection.

Risk management

The Trustees have assessed the major risks to which the Foundation is exposed, in particular those related to the operations and finances of the Foundation, and are satisfied that systems are in place to manage the exposure to the major risks.

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

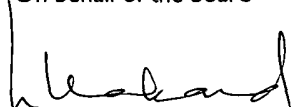
The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Companies Act 2006, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the memorandum and articles of association. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

So far as each Trustee is aware, there is no relevant audit information of which the company's auditors are unaware.

Each Trustee has taken all reasonable steps that he ought to have taken as a Trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



M-L Laband

21 November

2017

ARTIST ROOMS FOUNDATION

I N D E P E N D E N T A U D I T O R ' S R E P O R T

Year ended 31 March 2017

We have audited the financial statements of Artist Rooms Foundation for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Accounting Policies and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland").

This report is made solely to the 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 charity'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 anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, 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.

ARTIST ROOMS FOUNDATION

INDEPENDENT AUDITOR'S REPORT (continued)

Year ended 31 March 2017

Matters on which we are required to report by exception

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:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns;
- 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, and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Gregory Smye-Rumsby (Senior Statutory Auditor)
For and on behalf of Dixon Wilson, Statutory Auditor
22 Chancery Lane, London WC2A 1LS

24/11/

2017

ARTIST ROOMS FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

Year ended 31 March 2017

	Note	Unrestricted Funds £	Endowment Funds £	Total 2017 £	Unrestricted funds £	Endowment funds £	Total 2016 £
Income and endowments from:							
Donations and legacies	2	10,000	949,393	959,393	575	585,365	585,940
Investment income	3	710	-	710	24	-	24
Other income	3	10,304	-	10,304	-	-	-
Total income and endowments		21,014	949,393	970,407	599	585,365	585,964
Expenditure on:							
Charitable activities	4	(27,184)	-	(27,184)	(40,766)	-	(40,766)
Total expenditure		(27,184)	-	(27,184)	(40,766)	-	(40,766)
Net income/(expenditure)		(6,170)	949,393	943,223	(40,167)	585,365	545,198
Foreign exchange differences		-	(51,347)	(51,347)	-	(48,264)	(48,264)
Transfers between funds		6,170	(6,170)	-	40,167	(40,167)	-
Net movement in funds		-	891,876	891,876	-	496,934	496,934
Funds brought forward		-	13,069,228	13,069,228	-	12,572,294	12,572,294
Funds carried forward		-	13,961,104	13,961,104	-	13,069,228	13,069,228

The Statement of Financial Activities includes all gains and losses for the year. All incoming resources and resources expended derive from continuing activities.

ARTIST ROOMS FOUNDATION

Company number: 7503618

BALANCE SHEET

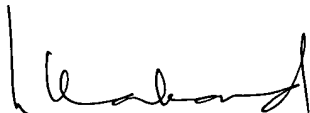
At 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Heritage assets – art collection	5	<u>13,849,631</u>	<u>13,266,989</u>
Current assets			
Cash		34,413	74,365
Debtors	6	<u>85,304</u>	<u>95,015</u>
		119,717	169,380
Creditors: amounts falling due within one year	7	<u>(8,244)</u>	<u>(367,141)</u>
Net current assets		<u>111,473</u>	<u>(197,762)</u>
Total assets less current liabilities		<u>13,961,104</u>	<u>13,069,228</u>
Expendable endowment (page 7)		<u>13,961,104</u>	<u>13,069,228</u>
		<u>13,961,104</u>	<u>13,069,228</u>

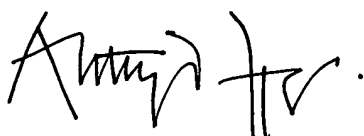
These accounts constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

The accounts on pages 7 to 12 were approved by the Trustees on 20 November 2017 and were signed on their behalf by:

M-L LABAND
Director



G A D'OFFAY
Director



ARTIST ROOMS FOUNDATION

ACCOUNTING POLICIES

Year ended 31 March 2017

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation are as follows:

Basis of preparation

The financial statements are 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 the Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Artist Rooms Foundation have taken advantage of the small charity exemptions and have decided not to include a cash flow statement in the accounts.

Artist Rooms Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Legal form

The charity is a registered charity incorporated in England and Wales and is governed by its Memorandum of Association. Its registered office is 9 Dering Street, London, W1S 1AG.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose. The terms of the endowment fund allow the capital of the fund to be spent if the trustees so determine.

Incoming resources and resources expended

All income is recognised in the statement of financial activities when Artist Rooms Foundation has entitlement to the income. Expenditure is accounted for under accruals basis.

Heritage assets

The heritage assets include donated works of art which are stated at their market value at the date of the gift. Works of art are not depreciated as any depreciation would be immaterial, given the long useful life and high residual value of the items. Heritage assets are instead reviewed for impairment on an annual basis.

Market value of the donated works of art represents the amount the charity would need to pay on the open market to acquire the item or an equivalent item.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Going concern

The charity is dependent upon voluntary donations to meet its obligations as they fall due. Due to the continued support of Anthony d'Offay, the Trustees believe the going concern basis to be appropriate.

Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Exchange differences arising on transactions in the year are taken to the profit and loss account.

ARTIST ROOMS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

2. Donations and legacies	2017	2016
	£	£
G A d'Offay	300,000	70,000
Artworks donated	574,393	407,595
HM Revenue & Customs – Gift Aid	75,000	17,515
Other donations	10,000	90,830
	<u>959,393</u>	<u>585,940</u>

In 2017, £949,393 of donations received (2016 - £585,365) was attributable to the endowment fund, with the balance of £10,000 (2016 - £575) allocated for the unrestricted fund.

3. Other incoming resources

Interest receivable	710	24
Other income	10,304	-
	<u>11,014</u>	<u>24</u>

4. Charitable activities

Website	3,217	27,726
Printing, storage and sundry	10,376	1,909
Donations made	5,000	-
Governance costs	8,591	11,131
	<u>27,184</u>	<u>40,766</u>

Governance costs include the following:

Audit fees	6,964	4,778
Bank charges	174	291
Legal fees	1,453	6,062
	<u>8,591</u>	<u>11,131</u>

ARTIST ROOMS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

5. Heritage assets	2017 £	2016 £
Cost or market value at the date of the gift		
At 1 April 2016	13,266,989	12,799,502
Additions	582,642	467,487
At 31 March 2017	<u>13,849,631</u>	<u>13,266,989</u>

Heritage assets comprise of artworks held by the charity, consisting of paintings, prints, etchings, video installations and other contemporary pieces. The pieces are loaned to various exhibitions across the country, or are otherwise kept in secure storage. Artist Rooms Foundation keeps detailed records of the location of each asset.

Summary of analysis of heritage asset transactions

	2017 £	2016 £	2015 £	2014 £	2013 £
Purchases	8,250	59,892	299,752	3,521,700	1,306,632
Donations	574,392	407,595	-	2,977,253	2,399,776
Total additions	<u>582,642</u>	<u>467,487</u>	<u>299,752</u>	<u>6,498,953</u>	<u>3,706,408</u>
Disposals	-	-	(2,977,253)	-	-

6. Debtors	2017 £	2016 £
Other debtors	<u>85,304</u>	<u>95,015</u>

7. Creditors: amounts falling due within one year

Other creditors	-	350,381
Accruals	8,244	16,760
	<u>8,244</u>	<u>367,141</u>

8. Taxation

Artist Rooms Foundation is a registered charity and as such is exempt from tax on its income to the extent this is applied for charitable purposes.

9. Trustees' remuneration

No trustees received any remuneration or reimbursement of expenses during the year.

ARTIST ROOMS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

10. Related party transactions

G A d'Offay, a trustee of the charity, donated £300,000 (2016 - £70,000) to the Foundation during the year.

T d'Offay, the son of G A d'Offay (a trustee), donated £nil (2016 - £90,270) to the Foundation during the year.

11. Controlling party

The charity is controlled by its trustees.

12. Liability of members

The company is limited by guarantee and has no share capital. The Memorandum of Association provides that every member, as defined by Clause 3 of the Articles of Association, is liable to contribute a sum not exceeding £10 in the event of the company being wound up while he or she is a member. At 31 March 2017 there were 3 members (2016 – 3).
