

Tate Members

(A company limited by guarantee)

Council members' report and financial statements

Year ended 31 March 2013

Charity registration number 313021

Company registration number 600340

Council members' report and financial statements

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Council report

Reference and administrative information

| | |
|-----------------------------|-------------------------------|
| Charity name | Tate Members |
| Charity registration number | 313021 |
| Company registration number | 600340 |
| Registered address | Tate Millbank London SW1P 4RG |

Tate Members' Council

Jon Snow (Chair) *
Robert McCracken (Treasurer) *
Jonty Godfrey (Chair of Tate Liverpool Members Committee)
Brian Chadwick *
Shami Chakrabarti
Chris Chinaloy
Hannah Collins
Mo Fisher
Ryan Gander
Dominic Harris
Rachel Lloyd
Carol Propper
Miranda Sawyer
Neil Scott (Chair of Tate St Ives Committee)
Simon Wilson

Elli Cartwright (Secretary until 29 January 2013)
Monica Thomas (Secretary from 30 January 2013)

* members of the Audit Committee

Executive team

| | |
|------------------|---|
| Robert Halkyard | Head of Membership & Supporter Engagement (from October 2012) |
| Elli Cartwright | Membership Manager (from February 2012 until January 2013) |
| Jess Gillham | Marketing and Communications Manager, Tate Members (until May 2012) |
| Tessa Daniel | Marketing and Communications Manager, Tate Members (Maternity cover from May 2012) |
| Jenny Fenn | Marketing Executive, Tate Members (until October 2012) |
| Elizabeth Cooper | Marketing Executive, Tate Members (from October 2012) |
| Monica Thomas | Membership Services Manager |

Auditors

Grant Thornton UK LLP
Grant Thornton House
Melton Street
Euston Square
London NW1 2EP

Bankers

Coutts & Co
St Martins Office
440 Strand London WC2R 0QR

Solicitors

Withers
16 Old Bailey
London EC4M 7EG

Aims and Objectives

Purposes and Aims

Tate Members' (originally Friends of the Tate Gallery) objects as set out in the company's memorandum of association are to encourage, foster, assist and promote in any manner whatsoever the fulfilment by the Tate Gallery Trustees of the charitable functions and charitable purposes entrusted to them.

Tate Members support Tate's key aim which is to benefit the public by increasing knowledge, understanding and enjoyment of British art from the sixteenth century to the present day and of international modern and contemporary art, film and video.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular, the Trustees considered how planned activities contribute to the overall aims and objectives of the charity.

The focus of our work

The main objective for the year continued to be to increase the financial contribution to Tate. Tate Members fund the acquisition of works of art for the National Collection of British and International art which Tate holds on behalf of the nation and which is on view free to increasingly diverse audiences. Secondly, Tate Members provide financial support for Tate's innovative exhibition and learning programmes, which promote increased understanding and enjoyment among the wider public.

The strategy focuses on building and widening the membership base, and increasing satisfaction, loyalty and a commitment to Tate among existing Members in order to maximise their individual financial contribution through membership fees, donations, secondary spend, referrals and recommending others to join in supporting Tate.

Key activities focus on recruiting new Members (in particular from among Tate visitors), retaining existing Members and improving the service delivered to existing and potential Members, while also nurturing the Members' involvement with art and their increased support for Tate through Gift Aid, additional donations, legacies and bequests.

The proposed works of art and projects are presented by Tate to the Council during the year for approval. The contributions are made to Tate once the works of art have been purchased or the projects completed.

Activities, achievements and performance

How our activities deliver public benefit

Our main activities and who we aim to help are described below. All our charitable activities focus on supporting Tate in promoting increased knowledge, understanding and enjoyment of British and International Modern Art, film and video, and are undertaken to further our charitable purposes for the public benefit.

Who benefited

During 2012-13 those benefiting from Tate's services, which receive direct financial support from Tate Members, included the 6.3 million visitors to four Tate galleries in London, Liverpool and St Ives; also the 19.4 million unique visitors to the Tate website. Tate conducts outreach programmes, for local communities in Millbank, Southwark, Liverpool and St Ives. These include working with young people, lower income and immigrant families, families with pre-school children. Tate actively pursues diversity and promotes a multi-cultural perspective. Accessibility is an abiding principle.

In return for providing financial support, Members receive private benefits in the form of admission to exhibitions, private views, the use of Members Rooms and mailings about the programmes.

Achievements and performance

In 2013 all budgeted targets were achieved and at the financial year end the membership stood at 105,112 (2012: 96,945). Membership retention remained high at 87.5%. Income raised by Tate Members was £9,287,023 (2012: £7,981,835). Of this, a contribution of £7,390,363 was made to Tate to support the works of art and projects listed below ((2012: £2,885,333). The net result for the year was a decrease in funds of £433,522 (2012: £2,982,476 increase). Tate Members made significantly more contributions to Tate in the year, specifically to the galleries London in respect of the capital projects.

WORKS OF ART

The Eric & Louise Franck London Photography Collection

Blinky Palermo Package of 32 editions (contribution)

Alison Wilding Vanish and Detail 2004

Dorothy Brett Pond at Garsington 1919

Fiona Banner Spilt Nude 2007

Lis Rhodes Light Music 1975

Lynette Yiadom-Boakye 10pm Saturday 2012

Mona Hatoum Present Tense 1996

Richard Hamilton

In what posture? 1986,

Buck Mulligan 1987

Homage to Seghers 1982,

Self-portrait in a cracked mirror 1985,

Mirror image 1974,

Self-portrait with red 1998,

Self-portrait with yellow 1998

Rose Wylie Pin Up and Porn Queen Jigsaw 2005

Dadamaino (Eduarda Maino) Volume 1960

Ozias Humphry Baron Nagell's Running Footman c.1795 (contribution)

John Latham

Unedited Material From the Star, 1960

Encyclopedia Britannica, 1971

John Baldessari Aligning Balls 1972

Tate projects

Care of works in the collection and support for the programme at all Tate galleries and contributions to the Tate Britain Millbank Project, St Ives Phase 2 building project and Tate Modern Project.

Tate Liverpool Members

Family Programme

General Education and Participation

Adult Specialist Education

Research

The exhibition programme: Tracing the Century: Drawing as a Catalyst for Change, *Glam! The Performance of Style* and Doug Aitken's 'The Source'

Tate St Ives Members

The exhibition Alex Katz: Give Me Tomorrow

The exhibition The Far and the Near

The exhibition William Scott Centenary 2013

The exhibition Peter Fraser 2013

The Learning programme

Members' events

St Ives Phase 2 building project

Tate Members' financial support during the financial year 2012-13 helped Tate further its founding aim of increasing interest, involvement and understanding of art for the greater public benefit by supporting exhibitions and learning programmes at all four sites as well as supporting the acquisition of more than 20 works of art.

Factors impacting on the performance of the charity include Tate's exhibition programme, the number and type of visitors attracted to the Tate galleries, and external factors which impact visitor figures.

Financial review

Reserves policy

The Council's policy is to maintain the level of unrestricted general reserves at a minimum three months of operating costs so as to provide sufficient working capital. The Council has designated £645,100 (2012: £685,147) to approximate to the further costs expected to be incurred in servicing members until the end of their current subscription periods. Unrestricted general funds at 31 March 2013 were £4,322,291 (2012: £4,714,765). A level of £1,227,396 is required to comply with the current reserves policy. An additional sum of up to £10 million can be maintained as a contingency fund to deal with unexpected or urgent funding requests.

Going concern

Based on a formal budget and forecasting process, tied to adherence to the reserves policy and control over donations, the Council is confident that Tate Members is a going concern and will continue to be so for the next twelve months.

Principal funding sources

The main source of income for the charity is member subscriptions and related Gift Aid.

Investment policy

Tate Members has a policy of holding all funds in cash on bank deposit.

Plans for future periods

The key objective in coming years remains to maximise financial support for Tate while preserving the accessibility of and diversity amongst the membership, in keeping with Tate values. The strategy continues to be to maximise total membership, annual contribution per Member, length of membership and Member satisfaction. Issues such as diversity and sustainability are paramount to planning.

Structure, governance and management

Governing document

Tate Members is a charitable company limited by guarantee, incorporated on 12 March 1958 and registered as a charity on 22 April 1963. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of the Tate Members' Council

Tate Members is governed by the Tate Members' Council, 10 to 15 individuals who are members of the charity and who constitute directors for the purposes of company law and trustees for the purposes of charity law. The role of the Council is non-executive and voluntary. Council approves the appointment by Tate of an executive team to manage the charity on a day to day basis.

Under the requirement of the Memorandum and Articles of Association, one third of the members of Council retire by rotation at each Annual General Meeting and are eligible for re-election. The aim is to achieve a balance of skills and experience on Council relevant to the objectives of the charity.

All members of Tate Members Council give their time voluntarily and received no benefits from the charity, apart from the private benefits that are accorded to all Members in acknowledgement of their support, including admission to exhibitions, Members Rooms and mailings about the charity.

Tate Members Council members follow Tate's procedures for ensuring that Trustees and other non-executive advisors fulfil their role according to high ethical standards and that actual or perceived conflicts of interest are properly managed.

Members of Tate Members Council need to be conscious of how their personal interests may interact with those of Tate as they carry out their roles, and take steps to declare and manage conflicts of interest when and if they arise. A Register of Interests is completed by members of the Tate Members Council retrospectively once a year in April. Council members are asked to record changes in their interests at the earliest opportunity. If unsure they are requested to seek advice, and to withdraw when there is a conflict. If necessary, Council members defer to the decision of Tate Members Council and, ultimately, the Tate Ethics Committee.

Induction and training of Council members

New Council members are inducted and given training appropriate to their knowledge and ability.

Organisational structure

The Tate Members' Council establishes a framework for the organisation, with the day to day operation and management delegated to staff. Staff members of Tate are responsible for ensuring that the charity delivers the services specified to Tate Members and that key performance indicators are met. These include membership numbers, retention, the percentage paying by Direct Debit/consenting to Gift Aid, the cost per Member and Member satisfaction. Council oversees policies, financial decisions (such as pricing policy) and approves how the contribution to Tate is allocated.

Related parties

The organisation is strongly reliant on the Tate infrastructure and procedures, especially in relation to staff and risk management.

Risk management

The Council places strong reliance on the risk analysis and control environment operated by Tate and the Tate Audit Committee. In addition, Tate Members have prepared a risk register which details the major risks the organisation faces and identifies the controls in place to mitigate those risks. The review also covers compliance with statutory requirements and internal control procedures as well as investment risk. The major risk Tate Members faces is the failure to recruit and maintain membership numbers in order to achieve membership target. Several actions are in place to minimise this risk.

The risk register is kept under review on an ongoing basis by Tate's executive and is formally reviewed on an annual basis by the Tate Members Audit Committee and Tate Members Council. The focus is on ensuring that risks are managed effectively by senior Tate staff. Tate Members' operations and risk management processes are also reviewed periodically by Tate's Internal Audit. However, it is recognised that a risk management system can only seek to manage, rather than eliminate, factors that impact on the ability to achieve business objectives, and can provide only reasonable assurance against material misstatement or loss.

Auditors

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

The financial statements were approved by the Council and signed on 21 June 2013.

On behalf of the Board

Jon Snow



Robert McCracken

Robert McCracken
Members of the Council

21 June 2013.

Statement of Council members' responsibilities for the preparation of financial statements

The Council members (who are also directors of Tate Members for the purposes of company law) are responsible for preparing the Councils' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 these financial statements, the trustees are required to:

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

The Council members are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council members confirm that:

- ☐ so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ☐ the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Council members are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Tate Members

We have audited the financial statements of Tate Members for the year ended 31 March 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable 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 anyone other than the charitable company and its 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 Council members' Responsibilities Statement, as set out on page 7, the Council members (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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 2013 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.

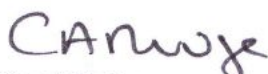
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Council members' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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:

- 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.



Carol Rudge
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants

21 June 2013
LONDON

Statement of financial activities

(Incorporating an income and expenditure account)

(for the year ended 31 March 2013)

| | Note | 2013 £ | 2012 £ |
|--|------|--------------------|--------------------|
| Incoming resources | | | |
| <i>Incoming resources from generated funds</i> | | | |
| Voluntary income | 3 | 9,253,195 | 7,964,874 |
| Investment income | | 33,828 | 16,961 |
| Total incoming resources | | 9,287,023 | 7,981,835 |
| Resources expended | | | |
| <i>Costs of generating funds</i> | | | |
| Costs of generating voluntary income | 5 | (2,288,117) | (2,076,609) |
| <i>Charitable activities</i> | 7 | (7,390,363) | (2,885,333) |
| <i>Governance costs</i> | 8 | (41,065) | (37,417) |
| Total resources expended | | (9,719,545) | (4,999,359) |
| Net movement in funds | | (432,522) | 2,982,476 |
| Unrestricted funds brought forward | | 5,399,912 | 2,417,436 |
| Unrestricted funds carried forward | 11 | 4,967,390 | 5,399,912 |

The company has no recognised gains or losses other than the retained funds for the year.

The results for the year were derived solely from continuing operations.

Balance sheet

at 31 March 2013

| | Note | 2013 £ | 2012 £ |
|---|------|-------------------|------------------|
| Current assets | | | |
| Debtors | 9 | 1,081,008 | 1,342,509 |
| Cash at bank and in hand | | 9,559,386 | 6,647,073 |
| | | <u>10,640,394</u> | <u>7,989,582</u> |
| Creditors: amounts falling due within one year | 10 | (5,673,004) | (2,589,670) |
| Net current assets | | <u>4,967,390</u> | <u>5,399,912</u> |
| Unrestricted funds | | | |
| Revenue designated | 11 | 645,100 | 685,147 |
| Unrestricted general | 11 | 4,322,290 | 4,714,765 |
| Total funds | | <u>4,967,390</u> | <u>5,399,912</u> |

These financial statements were approved by the Council and signed on its behalf on 21 June 2013 by:

Jon Snow



Robert McCracken

Members of the Council



Company registration number 600340

Cashflow Statement

for the year ended 31 March 2013

| | Notes | 2013 £ | 2012 £ |
|---|--------|--------------------|--------------------|
| Net cash inflow from operating activities | 14(i) | 2,878,484 | 4,649,749 |
| <i>Returns on investments and servicing of finance</i> | | | |
| Interest received | | 33,828 | 16,961 |
| Net cash inflow from returns on investments and servicing of finance | | 33,828 | 16,961 |
| Increase in cash | 14(ii) | (2,912,312) | (4,666,710) |

Notes

(forming part of the financial statements)

1 Liability of members

Tate Members is a company limited by guarantee, with no share capital. Each member of the company, of which there are currently 105,112 is liable to contribute £1 in the event of the winding up of the company. Members of the Council constitute directors of the company for Companies Act purposes.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared on a going concern basis, also in accordance with SORP 2005, other applicable accounting standards and under the historical cost convention.

Subscriptions and donations

Subscriptions and donations are recognised as they are received.

Individual membership is eligible for Gift Aid, which is recognised on receipt.

Reserves

These resources arise from the accumulated surpluses and deficits in the operation for charitable purposes and are expendable at the discretion of the Council in furtherance of the charity. To ensure there are sufficient funds to cover the direct cost of servicing existing members, a sum is designated approximate to the time-apportioned element of members' subscriptions needed to provide members' services in the future.

Cost of activities

This expenditure represents the costs of fundraising and servicing the membership schemes.

Charitable expenditure

This expenditure represents contributions made to Tate for purchases of works of art and projects. The expenditure is recognised when Tate Members is committed to provide such funding.

Governance costs

This expenditure represents the cost of staff time spent on governance, as well as the audit fee.

3 Voluntary income

| | 2013 £ | 2012 £ |
|-----------------|------------------|------------------|
| Subscriptions | 8,116,575 | 6,872,002 |
| Gift Aid | 1,058,512 | 950,057 |
| Events | 3,207 | 8,099 |
| Advertising | 65,793 | 21,739 |
| Other donations | 9,108 | 112,977 |
| | <u>9,253,195</u> | <u>7,964,874</u> |

Notes (continued)

4 Auditors' remuneration

Auditors' remuneration for the year was £8,540 (2012: £8,750).

5 Costs of generating voluntary income

| | 2013 £ | 2012 £ |
|--------------------------------------|------------------|------------------|
| Member communications costs | 1,002,595 | 825,489 |
| Management charges | 505,896 | 493,847 |
| Event costs | 18,348 | 20,570 |
| Fulfilment and Members' Room charges | 196,543 | 205,388 |
| Support costs (see note 6) | 259,574 | 222,885 |
| Other costs | 305,161 | 308,430 |
| | 2,288,117 | 2,076,609 |

Council members received £nil remuneration during the year (2012: nil). During the year 1 of the 15 Council members received expense reimbursements of £769 (2012: £92).

The company did not have any employees during the year. Included within other costs is £179,634 (2012: £180,812) paid to Tate in respect of Membership Office staff costs.

6 Support costs

| | 2013 £ | 2012 £ |
|---------------------------------|----------------|----------------|
| Management costs | 4,116 | 5,918 |
| Support costs recharged by Tate | 255,459 | 216,967 |
| | 259,575 | 222,885 |

Costs have been allocated between categories based on the staff time spent on each area.

7 Charitable expenditure

| | 2013 £ | 2012 £ |
|---|------------------|------------------|
| Contributions towards purchases of works of art by Tate | 1,173,924 | 1,456,838 |
| Other contributions | | |
| To Tate London | 6,009,439 | 1,183,495 |
| To Tate Liverpool | 75,000 | 125,000 |
| To Tate St Ives | 132,000 | 120,000 |
| | 7,390,363 | 2,885,333 |

There was £4,118,123 contribution accrual at 31 March 2013 (2012: £1,277,112).

Notes (continued)

8 Governance Costs

| | 2013 £ | 2012 £ |
|--------------------|---------------|---------------|
| Staff time | 28,384 | 24,107 |
| Audit fee | 8,540 | 9,858 |
| Committee expenses | 2,217 | 2,452 |
| Professional Fees | 1,924 | 1,000 |
| | 41,065 | 37,417 |

9 Debtors

| | 2013 £ | 2012 £ |
|---|------------------|------------------|
| Trade debtors | 27,967 | 8,588 |
| Amounts owed by Tate and associated organisations | 887,482 | 963,719 |
| Other debtors | 165,559 | 370,202 |
| | 1,081,008 | 1,342,509 |

10 Creditors: amounts falling due within one year

| | 2013 £ | 2012 £ |
|--|------------------|------------------|
| Trade creditors | 42,175 | 24,244 |
| Taxation and social security | 268,645 | 180,821 |
| Amounts due to Tate and associated organisations | 5,302,920 | 2,360,321 |
| Other creditors | 59,264 | 24,284 |
| | 5,673,004 | 2,589,670 |

11 Funds

| | At 1 April 2012 £ | Net movement in funds £ | Net transfers £ | At 31 March 2013 £ |
|--------------------------|-------------------------|----------------------------------|--------------------|--------------------------|
| General funds | 4,714,765 | (432,522) | 40,047 | 4,322,290 |
| Revenue designated funds | 685,147 | - | (40,047) | 645,100 |
| | 5,399,912 | (432,522) | - | 4,967,390 |

The revenue designated fund is designated by the Council in addition to the reserve policy to ensure there are sufficient funds to cover the direct costs of servicing existing members until the end of their current subscription periods. A transfer of £40,047 was required in the year to comply with this policy.

Notes (continued)

12 Analysis of net assets between funds

| | General fund £ | Revenue designated fund £ | 2013 £ | 2012 £ |
|---------------------|-------------------|------------------------------------|-------------|-------------|
| Current assets | 9,955,247 | 685,147 | 10,640,394 | 7,989,582 |
| Current liabilities | (5,673,004) | | (5,673,004) | (2,589,670) |
| | 4,282,243 | 685,147 | 4,967,390 | 5,399,912 |

13 Related parties

During the year £969,373 (2012: £915,733) was paid to Tate to cover staff costs and use of facilities.

14. Cash flow information

(i) Reconciliation of net movement in funds to net cash inflow from operating activities

| | 2013 £ | 2012 £ |
|---|-----------|-----------|
| Net movement of funds | (432,522) | 2,982,476 |
| Investment income | (33,828) | (16,961) |
| Increase in debtors | 261,501 | (319,822) |
| Increase in creditors | 3,083,333 | 2,004,056 |
| Net cash inflow from operating activities | 2,878,484 | 4,649,749 |

(ii) Reconciliation of net cash flow to movement in net cash

| | 2013 £ | 2012 £ |
|--------------------------------|-----------|-----------|
| Increase in cash in the year | 2,912,312 | 4,666,710 |
| Net funds at beginning of year | 6,647,073 | 1,980,363 |
| Net funds at end of year | 9,559,385 | 6,647,073 |

(iii) Analysis of changes in net cash

| | 2012 £ | Cash flow £ | 2013 £ |
|------------------|-----------|----------------|-----------|
| Liquid Resources | 6,647,073 | 2,908,931 | 9,556,004 |
| Cash | - | 3,381 | 3,381 |
| | 6,647,073 | 2,912,313 | 9,559,385 |

15 Contingencies and capital commitments

There were no contingencies or capital commitments at 31 March 2013 or 31 March 2012.

Detailed statement of financial activities

for the year ended 31 March 2013

(not forming part of the financial statements)

| | 2013 £ | 2012 £ |
|--|--------------------|--------------------|
| Incoming resources | | |
| Subscriptions | 9,168,695 | 7,820,578 |
| Donations | 9,108 | 112,977 |
| Advertising | 65,793 | 21,739 |
| Members' Room | 6,392 | 1,482 |
| Events | 3,207 | 8,099 |
| Other income | - | - |
| Invested income | 33,828 | 16,961 |
| Total | 9,287,023 | 7,981,835 |
| Resources expended | | |
| <i>Costs of generating voluntary income</i> | | |
| Magazine and Guide | (927,520) | (745,164) |
| Other mailings, print and promotion | (940,988) | (891,626) |
| Salaries and fees | (352,992) | (379,718) |
| Administration costs | (44,534) | (36,457) |
| Members' Room costs | (3,735) | (3,074) |
| Events costs | (18,348) | (20,570) |
| <i>Total cost of generating voluntary income</i> | <i>(2,288,117)</i> | <i>(2,076,609)</i> |
| <i>Governance costs</i> | <i>(41,065)</i> | <i>(37,417)</i> |
| Total | (2,329,182) | (2,114,026) |
| Net incoming resources | 6,957,841 | 5,867,809 |
| Contributions to Tate | | |
| Works of art | (1,173,924) | (1,456,838) |
| Other projects | (6,216,439) | (1,428,495) |
| Net movement in funds for the year | (432,522) | 2,982,476 |

Statement of funds

for the year ended 31 March 2013

(not forming part of the financial statements)

| | 2013 £ | 2012 £ |
|---------------------------------------|-------------------|------------------|
| Current assets | | |
| Debtors | 1,081,008 | 1,342,509 |
| Deposits and cash at bank and in hand | 9,559,386 | 6,647,073 |
| Total assets | 10,640,394 | 7,989,582 |
| Less: | | |
| Creditors | (5,673,004) | (2,589,670) |
| Total | 4,967,390 | 5,399,912 |