

Company registration number: 02621963

Charity registration number: 1008593

# Ucheldre Centre

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Aston Hughes & Co  
Chartered Accountants  
Selby Towers  
29 Princes Drive  
Colwyn Bay  
North Wales  
LL29 8PE

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## Reference and Administrative Details

### Trustees

Professor D Crystal

Mr A Darroch

Mrs B Francis

Ms S Moffat

Mrs H Xi

Dr D Roberts

Rev J Bailey

Sqn Ldr G Leeming

Mr A L Roberts

Ms K S Thomas

Ms S A Williams

Mr W R Williams

Mr M B Gould

### Secretary

### Principal Office

Mill Bank

Holyhead

LL65 1TE

The charity is incorporated in England & Wales.

### Company Registration Number

02621963

### Charity Registration Number

1008593

### Independent Examiner

Aston Hughes & Co  
Chartered Accountants  
Selby Towers  
29 Princes Drive  
Colwyn Bay  
North Wales  
LL29 8PE

## Strategic Report for the Year Ended 31 March 2021

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2021, in compliance with s414C of the Companies Act 2006.

### **Achievements and performance**

The provision of a top quality, and varied programme of performance events, theatrical and musical, exhibitions, films, classes, and other events, as well as being a venue for local societies and community activities, remained at the heart of Ucheldre's existence. The enhancements made during the last few years to its facilities continued to have a major impact in improving the quality and range of performances.

At this stage in the Report there is normally a list of the huge variety of activities Ucheldre has facilitated. However, this past year, to say the least, has been a very strange one! Ordered to close on 20 March 2020, Ucheldre only opened fully to the public again August 2021. Apart from being able to open to the public for short periods to hold the only actual, live film festival in Wales in October 2020, Ucheldre's activities were limited to an on-line fund-raising Christmas Carol Concert with Ynys Môn Citizens Advice (CAB) and Valley Military Wives Choir in December 2020.

We also assisted with a BBC film about the Sisters of the Bon Sauveur, and various recording and streamed events including an educational programme with Ensemble Cymru, and a concert by Huw Warren. The ability to film and stream was greatly enhanced by a capital COVID Emergency Grant from the Arts Council of Wales (ACW). The opportunity was taken to deep clean Ucheldre, particularly the stone slabs. Thanks to a gallant band of hardy volunteers, and with help from Wild Elements, Ucheldre was successful in obtaining and completing a Tidy Wales Wildlife Garden project. This involved planting 100 trees, shrubs, bulbs, plants, and laying wildflower meadow strips in the grounds. Just as the first lockdown came into force the Tesco Bags Kitchen Garden Project was completed with the help of Wild Elements and the Grass Roots project. This facility was important in being able to offer outdoor activities in a COVID safe environment as a lead-in to re-opening. It also has the potential for future projects and to provide produce for the Kitchen.

Ucheldre continues to play a very important role in the Anglesey Arts Forum, although the Easter Open Studios had to be postponed both in 2020 and 2021. The Forum's Exhibition, hung in March 2020, wasn't seen by visitors until Summer 2021. Ucheldre remains a member of the Anglesey Attractions Association, as an accredited Quality Visitor Attraction.

## Strategic Report for the Year Ended 31 March 2021

### **Financial review**

Remarkably, due to the continued grant support of ACW, as part of its Arts Portfolio Wales, and Anglesey County Council (ACC), with additional COVID 19 Welsh Government financial support, and ACW COVID emergency grants, Ucheldre has survived financially. It was looking very bleak but the grants plus, most significantly, the Furlough Scheme were crucial as all the Staff were furloughed.

Just before the SeeMôr Film Festival, the cinema projector broke. Film and satellite relays are a key income stream. Therefore, we were extremely thankful for the Moondance Foundation stepping in to help with a £20K grant which, with the Carol Concert donations enabled the purchase of a £30K state of the art laser projector which should last many years.

The various grants and capital expenditure were adjusted and apportioned over 2 financial years during the Audit, giving a surplus of £31,847. However, the operating surplus was effectively a small one of £4,535. During the period Ucheldre continued to support freelancers and took the opportunity to make good arrears.

Ucheldre continues to research other avenues of funding, both for revenue and capital, although competition for all trust grants is becoming increasingly intense and difficult. We have submitted a capital application to the Community Facilities Programme for £250K and are in discussions about an application to the Magnox Socio Economic Fund. There is also the excellent prospect of being part of the Holyhead Bid for the UK Levelling-up fund. Ucheldre has produced a revised Business Plan which shows that the new Development to enhance its facilities will greatly improve its long-term sustainability. The continuing depressed state of Holyhead means fewer visitors to the Town, and economic and COVID uncertainty, exacerbated with Brexit and the cancellation of Wylfa Newydd, makes audiences careful about coming too frequently to performances. Ucheldre is keeping its expenditure under careful review. The core funding provided by ACC and ACW remains vital to Ucheldre; we already have to raise over 60% of our income from other sources.

The Financial Statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice (SORP) - Accounting and Reporting by Charities.

### **Policy on reserves**

The Trustees' aspiration to reserves equating to at least 3 months of the Charity's expenditure was last achieved in 2008, but is no longer possible. This year's book surplus of £31,847 has significantly increased the reserve to £64,876. While this remains above the £10K, which the Trustees have accepted as being a realistic historical average given the difficulty, despite various fund-raising initiatives, to support even its current activities, it does go some way to address the aspiration in its Business Plan for Ucheldre to have a more robust reserve.

### **Investment policy and objectives**

Under the Memorandum and Articles of Association, the Charity has the power to make any investment which the Trustees see fit. In September 2017 the Trustees updated the Centre's Articles to bring its governance in line with current good practice, and appointed 9 new Trustees.

## Strategic Report for the Year Ended 31 March 2021

### Plans for future periods

#### *Aims and key objectives for future periods*

Ucheldre is 30 years old, and plans, once the COVID threat is normalized, to provide its historically busy mixed programme of exhibitions, events, and activities during the coming year, but as ever aiming to both increase attendances, and widen the catchment of its audiences. A successful application was made to ACW's Connect and Flourish Scheme for a programme of activity entitled Creating Sunshine and we will be working closely with our Partner Menter Iaith Môn over the next 2 years. As part of the Development Stage Ucheldre will be appointing in the New Year an additional member of staff to programme and plan events and activities in preparation for the Newbuild will help with boosting activity and attendances.

Ucheldre is also part of the Holy Island Heritage and Landscape, and Ports - Past and Present, projects. These aim to increase visitors to the area and promote and link attractions, including Ucheldre, thereby raising its profile.

Whilst the significant improvements to Ucheldre's facilities have already seen an increase in attendances, the wider economic difficulties could mean that raising income from audiences will be increasingly difficult. However, despite the cancellation of Wylfa Newydd, there are still a few large potential projects on the Island that, if they came to fruition, could radically improve the local economy, and increase the workforce on Anglesey. The possible developments outlined above of a dance studio, workshop spaces and improved access and other facilities would greatly improve Ucheldre's offer to the public, and potentially increase its income and sustainability. ACW continues to be extremely supportive, and we remain extremely thankful to ACC for its continuing support, without which we would not be able to provide the facilities we do.

#### *Development Plans*

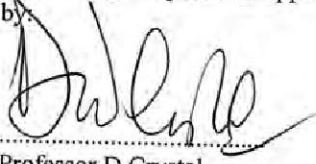
Paradoxically, although the closure was a huge shock with the overnight cessation of activities causing the loss of all earned income, it did enable the Executive to consider and progress strategic issues for Ucheldre. It also participated in working parties looking at the possibility of a Fairness Commission and formation of Bro Môn, an organization to promote and assist social enterprises on Anglesey.

However, the most significant activity was the progress on the Development Stage for the extensions and refurbishment of the former Chapel. The project was renamed Space for 21st Century Creative Well-being. De Matos Ryan architects were appointed in December 2020 following an inspiring bid, and the project was successfully driven forward with full planning being recently granted, and the ACW Capital Committee awarding a £600K Grant. The full scheme is estimated at £3.5M, and will include:

- \* A bespoke dance studio which could also be used as a 'mindfulness' studio space allowing for workshops and classes in more intimate and suitable surroundings than the Main Hall, which would be freed to hold more performances and screenings.
- \* A visual arts and crafts workshop space for practical workshop activity that focuses on children, schools and adult activity groups, and leads onto an outdoor garden workspace.
- \* A new main entrance and improved circulation (including opening up the Ucheldre Kitchen) and providing better public toilets with enhanced disabled facilities, including a Changing Space, and disabled performers' friendly access platform to the stage.
- \* An extension to the garden area including creation of a community garden, and making a green space including grassed roofs to the new extension.
- \* A new servery and installation of a new chiller to the Ucheldre Kitchen.
- \* Improved reception, box office and shop areas.
- \* Improved back-stage facilities, new changing rooms and Green Room, and repairs to existing building including the Main Hall's exterior wall to prevent water ingress.

## Strategic Report for the Year Ended 31 March 2021

The strategic report was approved by the trustees of the charity on 17 December 2021 and signed on its behalf by:



.....  
Professor D Crystal  
Trustee

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

### **Objectives and activities**

#### ***Public benefit***

The provision of a community arts centre open to all.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### **Structure, governance and management**

#### ***Nature of governing document***

The company's governing documents are its Memorandum and Articles of Association.

### **Financial instruments**

#### ***Objectives and policies***

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The charity does not use derivative financial instruments.

#### ***Credit risk***

The charity's principal financial assets are bank balances and cash, trade and other receivables. The charity has no significant concentration of credit risk.

## Trustees' Report

### Statement of Trustees' Responsibilities

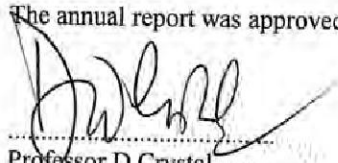
The trustees (who are also the directors of Ucheldre Centre for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on 17 December 2021 and signed on its behalf by:



.....  
Professor D Crystal  
Trustee

## Independent Examiner's Report to the trustees of Ucheldre Centre

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 9 to 22.

### Respective responsibilities of trustees and examiner

As the charity's trustees of Ucheldre Centre (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Ucheldre Centre are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

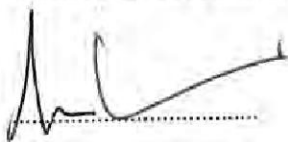
### Independent examiner's statement

Since Ucheldre Centre's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Ucheldre Centre as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



A D Erasmus BSc FCA

Aston Hughes & Co  
Chartered Accountants  
Institute of Chartered Accountants in England and Wales (ICAEW)

Selby Towers  
29 Princes Drive  
Colwyn Bay  
North Wales  
LL29 8PE

17 December 2021

**Statement of Financial Activities for the Year Ended 31 March 2021**  
**(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

|                                    | Note | Unrestricted<br>£ | Restricted<br>£ | Total<br>2021<br>£ | Total<br>2020<br>£ |
|------------------------------------|------|-------------------|-----------------|--------------------|--------------------|
| <b>Income and Endowments from:</b> |      |                   |                 |                    |                    |
| Donations and legacies             | 3    | 309,381           | 10,000          | 319,381            | 148,666            |
| Charitable activities              | 4    | 11,742            | -               | 11,742             | 121,726            |
| Other trading activities           | 5    | 5                 | -               | 5                  | -                  |
| Investment income                  | 6    | 11                | -               | 11                 | 9                  |
| <b>Total Income</b>                |      | <u>321,139</u>    | <u>10,000</u>   | <u>331,139</u>     | <u>270,401</u>     |
| <b>Expenditure on:</b>             |      |                   |                 |                    |                    |
| Charitable activities              | 7    | <u>(295,605)</u>  | <u>(3,687)</u>  | <u>(299,292)</u>   | <u>(269,820)</u>   |
| <b>Total Expenditure</b>           |      | <u>(295,605)</u>  | <u>(3,687)</u>  | <u>(299,292)</u>   | <u>(269,820)</u>   |
| Net income                         |      | 25,534            | 6,313           | 31,847             | 581                |
| Transfers between funds            |      | <u>(1,060)</u>    | <u>1,060</u>    | <u>-</u>           | <u>-</u>           |
| Net movement in funds              |      | 24,474            | 7,373           | 31,847             | 581                |
| <b>Reconciliation of funds</b>     |      |                   |                 |                    |                    |
| Total funds brought forward        |      | <u>33,029</u>     | <u>-</u>        | <u>33,029</u>      | <u>32,448</u>      |
| Total funds carried forward        | 18   | <u>57,503</u>     | <u>7,373</u>    | <u>64,876</u>      | <u>33,029</u>      |

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2020 is shown in note 18.

**(Registration number: 02621963)**  
**Balance Sheet as at 31 March 2021**

|   | Note | 2021<br>£       | 2020<br>£       |
|---|------|-----------------|-----------------|
| <b>Fixed assets</b>                                   |      |                 |                 |
| Tangible assets                                       | 13   | 27,373          | 20,000          |
| <b>Current assets</b>                                 |      |                 |                 |
| Stocks  | 14   | 4,376           | 5,603           |
| Debtors   | 15   | 54,435          | 13,228          |
| Cash at bank and in hand                              | 16   | <u>51,402</u>   | <u>18,623</u>   |
|   |      | 110,213         | 37,454          |
| <b>Creditors: Amounts falling due within one year</b> | 17   | <u>(72,710)</u> | <u>(24,425)</u> |
| <b>Net current assets</b>                             |      | <u>37,503</u>   | <u>13,029</u>   |
| <b>Net assets</b>                                     |      | <u>64,876</u>   | <u>33,029</u>   |
| <b>Funds of the charity:</b>                          |      |                 |                 |
| <b>Restricted income funds</b>                        |      |                 |                 |
| Restricted funds                                      |      | 7,373           | -               |
| <b>Unrestricted income funds</b>                      |      |                 |                 |
| Unrestricted funds                                    |      | <u>57,503</u>   | <u>33,029</u>   |
| <b>Total funds</b>                                    | 18   | <u>64,876</u>   | <u>33,029</u>   |

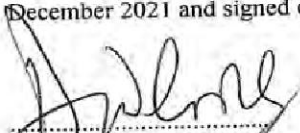
For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 9 to 22 were approved by the trustees, and authorised for issue on 17 December 2021 and signed on their behalf by:

  
 Professor D Crystal  
 Trustee

The notes on pages 11 to 22 form an integral part of these financial statements.

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 1 Charity status

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Millbank  
Holyhead  
LL65 1TE

These financial statements were authorised for issue by the trustees on 17 December 2021.

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### Basis of preparation

Ucheldre Centre 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 notes.

#### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

#### Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

#### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## Notes to the Financial Statements for the Year Ended 31 March 2021

### **Grants receivable**

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

### **Deferred income**

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### **Tangible fixed assets**

Individual fixed assets costing £10,000.00 or more are initially recorded at cost.

### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

## Notes to the Financial Statements for the Year Ended 31 March 2021

| Asset class  | Depreciation method and rate |
|--|------------------------------|
| Land & buildings                                     | 5% on cost                   |
| Furniture and equipment                              | 25% reducing balance         |
| Furniture and equipment - audio and visual equipment | 33.33% straight line         |

### Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **Foreign exchange**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

### **Financial instruments**

#### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

## Notes to the Financial Statements for the Year Ended 31 March 2021

### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

### *Fair value measurement*

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 3 Income from donations and legacies

|                                   | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£ | Total<br>funds<br>£ |
|-----------------------------------|---------------------------------------|--------------------------|---------------------|
| Donations and legacies;           |                                       |                          |                     |
| Donations from individuals        | 10,116                                | -                        | 10,116              |
| Grants, including capital grants; |                                       |                          |                     |
| Government grants                 | 250,000                               | 10,000                   | 260,000             |
| Grants from other charities       | 49,265                                | -                        | 49,265              |
| <b>Total for 2021</b>             | <b>309,381</b>                        | <b>10,000</b>            | <b>319,381</b>      |
| <b>Total for 2020</b>             | <b>148,666</b>                        | <b>-</b>                 | <b>148,666</b>      |

### 4 Income from charitable activities

|                       | Unrestricted<br>funds<br>General<br>£ | Total<br>funds<br>£ |
|-----------------------|---------------------------------------|---------------------|
| Arts Centre           | 11,742                                | 11,742              |
| <b>Total for 2021</b> | <b>11,742</b>                         | <b>11,742</b>       |
| <b>Total for 2020</b> | <b>121,726</b>                        | <b>121,726</b>      |

### 5 Income from other trading activities

|  | Unrestricted<br>funds<br>General<br>£ | Total<br>funds<br>£ |
|--|---------------------------------------|---------------------|
| Other income from other trading activities | 5                                     | 5                   |
| <b>Total for 2021</b>                      | <b>5</b>                              | <b>5</b>            |

### 6 Investment income

|   | Unrestricted<br>funds<br>General<br>£ | Total<br>funds<br>£ |
|---|---------------------------------------|---------------------|
| Interest receivable and similar income; |                                       |                     |
| Interest receivable on bank deposits    | 11                                    | 11                  |
| <b>Total for 2021</b>                   | <b>11</b>                             | <b>11</b>           |
| <b>Total for 2020</b>                   | <b>9</b>                              | <b>9</b>            |

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 7 Expenditure on charitable activities

|                       | Note | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£ | Total<br>funds<br>£ |
|-----------------------|------|---------------------------------------|--------------------------|---------------------|
| Arts Centre           |      | 180,378                               | 3,687                    | 184,065             |
| Staff costs           |      | 114,327                               | -                        | 114,327             |
| Governance costs      | 8    | 900                                   | -                        | 900                 |
| <b>Total for 2021</b> |      | <u>295,605</u>                        | <u>3,687</u>             | <u>299,292</u>      |
| <b>Total for 2020</b> |      | <u>269,820</u>                        | <u>-</u>                 | <u>269,820</u>      |

In addition to the expenditure analysed above, there are also governance costs of £900 (2020 - £700) which relate directly to charitable activities. See note 8 for further details.

### 8 Analysis of governance and support costs

#### Governance costs

|   | Unrestricted<br>funds<br>General<br>£ | Total<br>funds<br>£ |
|---|---------------------------------------|---------------------|
| Independent examiner fees               |                                       |                     |
| Examination of the financial statements | 900                                   | 900                 |
| <b>Total for 2021</b>                   | <u>900</u>                            | <u>900</u>          |
| <b>Total for 2020</b>                   | <u>700</u>                            | <u>700</u>          |

### 9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 10 Staff costs

The aggregate payroll costs were as follows:

|  | 2021<br>£ | 2020<br>£ |
|--|-----------|-----------|
| <b>Staff costs during the year were:</b> |           |           |
| Wages and salaries                       | 113,694   | 112,324   |
| Social security costs                    | -         | 2,896     |
| Pension costs                            | 633       | 870       |
|  | 114,327   | 116,090   |

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

|                   | 2021<br>No | 2020<br>No |
|-------------------|------------|------------|
| Admin and support | 20         | 21         |

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

### 11 Independent examiner's remuneration

|   | 2021<br>£ | 2020<br>£ |
|---|-----------|-----------|
| Examination of the financial statements | 900       | 700       |

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

### 13 Tangible fixed assets

|                       | Land and<br>buildings<br>£ | Furniture and<br>equipment<br>£ | Total<br>£ |
|-----------------------|----------------------------|---------------------------------|------------|
| <b>Cost</b>           |                            |                                 |            |
| At 1 April 2020       | 35,297                     | 40,262                          | 75,559     |
| Additions             | -                          | 11,060                          | 11,060     |
| At 31 March 2021      | 35,297                     | 51,322                          | 86,619     |
| <b>Depreciation</b>   |                            |                                 |            |
| At 1 April 2020       | 15,297                     | 40,262                          | 55,559     |
| Charge for the year   | -                          | 3,687                           | 3,687      |
| At 31 March 2021      | 15,297                     | 43,949                          | 59,246     |
| <b>Net book value</b> |                            |                                 |            |
| At 31 March 2021      | 20,000                     | 7,373                           | 27,373     |
| At 31 March 2020      | 20,000                     | -                               | 20,000     |

### 14 Stock

|        | 2021<br>£ | 2020<br>£ |
|--------|-----------|-----------|
| Stocks | 4,376     | 5,603     |

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 15 Debtors

|                 | 2021   | 2020   |
|-----------------|--------|--------|
|                 | £      | £      |
| Trade debtors   | 829    | 1,413  |
| Prepayments     | 10,523 | -      |
| VAT recoverable | 18,457 | -      |
| Other debtors   | 24,626 | 11,815 |
|                 | 54,435 | 13,228 |

### 16 Cash and cash equivalents

|              | 2021   | 2020   |
|--------------|--------|--------|
|              | £      | £      |
| Cash on hand | 1,118  | 1,333  |
| Cash at bank | 50,284 | 17,290 |
|              | 51,402 | 18,623 |

### 17 Creditors: amounts falling due within one year

|                                    | 2021   | 2020   |
|------------------------------------|--------|--------|
|                                    | £      | £      |
| Trade creditors                    | 213    | 17,846 |
| Other taxation and social security | 1,027  | 2,500  |
| Accruals                           | 51,470 | 4,079  |
| Deferred income                    | 20,000 | -      |
|                                    | 72,710 | 24,425 |

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 18 Funds

|                           | Balance at 1<br>April 2020<br>£          | Incoming<br>resources<br>£          | Resources<br>expended<br>£          | Transfers<br>£                            | Balance at<br>31 March<br>2021<br>£ |
|---------------------------|--|-------------------------------------|-------------------------------------|---|-------------------------------------|
| <b>Unrestricted funds</b> |  |                                     |                                     |   |                                     |
| General                   | 33,029                                   | 321,139                             | (295,605)                           | (1,060)                                   | 57,503                              |
| <b>Restricted funds</b>   | <u>-</u>                                 | <u>10,000</u>                       | <u>(3,687)</u>                      | <u>1,060</u>                              | <u>7,373</u>                        |
| <b>Total funds</b>        | <u>33,029</u>                            | <u>331,139</u>                      | <u>(299,292)</u>                    | <u>-</u>                                  | <u>64,876</u>                       |
|                           | <b>Balance at 1<br/>April 2019<br/>£</b> | <b>Incoming<br/>resources<br/>£</b> | <b>Resources<br/>expended<br/>£</b> | <b>Balance at 31<br/>March 2020<br/>£</b> |                                     |
| <b>Unrestricted funds</b> |  |                                     |                                     |   |                                     |
| General                   | <u>32,448</u>                            | <u>270,401</u>                      | <u>(269,820)</u>                    | <u>33,029</u>                             |                                     |

The specific purposes for which the funds are to be applied are as follows:

Restricted funds relate to the purchase of audio and visual equipment.

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 19 Analysis of net assets between funds

|                         | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£ | Total funds at<br>31 March<br>2021<br>£ |
|-------------------------|---------------------------------------|--------------------------|---|
| Tangible fixed assets   | 20,000                                | 7,373                    | 27,373                                  |
| Current assets          | 110,213                               | -                        | 110,213                                 |
| Current liabilities     | (72,710)                              | -                        | (72,710)                                |
| <b>Total net assets</b> | <b>57,503</b>                         | <b>7,373</b>             | <b>64,876</b>                           |

|                         | Unrestricted<br>funds<br>General<br>£ | Total funds at<br>31 March<br>2020<br>£ |
|-------------------------|---------------------------------------|---|
| Tangible fixed assets   | 20,000                                | 20,000                                  |
| Current assets          | 37,454                                | 37,454                                  |
| Current liabilities     | (24,425)                              | (24,425)                                |
| <b>Total net assets</b> | <b>33,029</b>                         | <b>33,029</b>                           |

### 20 Analysis of net funds

|                          | At 1 April<br>2020<br>£ | Financing cash<br>flows<br>£ | At 31 March<br>2021<br>£ |
|--------------------------|-------------------------|------------------------------|--------------------------|
| Cash at bank and in hand | 18,623                  | 32,779                       | 51,402                   |
| Net debt                 | 18,623                  | 32,779                       | 51,402                   |

|                          | At 1 April<br>2019<br>£ | Financing cash<br>flows<br>£ | At 31 March<br>2020<br>£ |
|--------------------------|-------------------------|------------------------------|--------------------------|
| Cash at bank and in hand | 25,200                  | (6,577)                      | 18,623                   |
| Net debt                 | 25,200                  | (6,577)                      | 18,623                   |

### 21 Related party transactions

During the year the charity made the following related party transactions:

#### M Gould

(M Gould is the secretary of the charity.)

During the period management fees totalling £63,420 were charged to the charity (2020: £21,473). At the balance sheet date the amount due to M Gould was £30,420 (2020 - £2,425).