

Charity registration number 1015546

Company registration number 02752793 (England and Wales)

DORCHESTER ARTS
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

DORCHESTER ARTS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	T James P Smith P Treadwell J Veale A Eigeland H Trevorrow L Sheaves A Johnson	(Appointed 29 January 2022)
Secretary	M Tattersall	
Charity number	1015546	
Company number	02752793	
Registered office	The Corn Exchange High East Street Dorchester Dorset DT1 1HF	
Independent examiner	CB Reid Limited Wadebridge House 16 Wadebridge Square Poundbury Dorchester Dorset DT1 3AQ	

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DORCHESTER ARTS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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 Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

a. POLICIES AND OBJECTIVES

The principal objective of the company is to promote, maintain, improve and advance education particularly by the encouragement of the Arts. Dorchester Arts aims both to respond to the needs of the community and to promote events of the highest quality, and in doing so create well informed and enthusiastic audiences, to enable and develop the creativity, talent and skills of local people. 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 our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

b. ACTIVITIES FOR ACHIEVING OBJECTIVES

Dorchester Arts meets its objectives by running a professional and community arts programme.

c. MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT

Dorchester Arts contributes to the cultural and social life of Dorset's county town through programming arts events every week of the year. We seek to provide work suited to a very wide range of audiences, including specialist work for marginalised or little-served audiences such as those with Profound and Multiple Learning Difficulties.

In addition, we either directly organise or support a number of regular groups that allow local people to further their own creativity, including: Pop Club (11-18), Dorchester Youth Theatre (7-18), Connect drama (all ages) and Dorchester community orchestra (all ages). In addition, we organise arts activities for specific groups, such as our regular Parkinson's Dance classes (every Tuesday afternoon) as well as supporting annual events for young people (Combined Arts Week) and participatory activities linked to our performance programme. We organise major participatory projects every few years, the most recent centered around the exhibition of Luke Jerram's Mars artwork, and involving participation activities for musicians, dancers, visual artists and those living with chronic health conditions and disabilities. The health and social cohesion benefits of providing a regular, integrated programme of arts performances and activities are well recognised and are reflected in our Funding Agreements with Dorchester Town Council and Dorset Council.

We maintain accessible pricing across our programme and offer discounts for those on low income and for young people. Essential carers can attend all performances free of charge.

We provide opportunities for audiences and artists to meet and discuss their work (e.g. through post-show Q&A sessions or artist talks at exhibitions) to further our educative aims and broaden public appreciation of the arts.

We support local creative talent through providing a platform for developing and performing new work (music, dance, drama and film) and through small- and large-scale projects drawing on local talent.

We work closely with our partner arts and culture organisations (including Activate Performing Arts, Dorset Museum, Shire Hall, The New Hardy Players, Dorset Museum Music Society and a variety of local festivals etc) and non-arts organisations (including local Councils, healthcare providers, and venues suited to performances and participation activities) to ensure that a rich mix of interlinked arts activities is available to the local population throughout the year.

DORCHESTER ARTS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

a. REVIEW OF ACTIVITIES

Dorchester Arts aims to "bring the best of the arts to Dorset's county town, give our community creative opportunities and nurture local talent because we believe that where the arts thrive people and places do too". This is done through a programme of community arts activities and professional performances.

Dorchester Arts operates from the Corn Exchange/Municipal Buildings in the centre of town and enjoys excellent relations with the Dorchester Town Council, the owners of the premises. A wholly owned subsidiary, Dorchester Arts Trading Limited, operates the bar located at the Corn Exchange and provides bar services for events held at other venues.

Our mission is to place the arts at the heart of our community, so as to involve, inspire and entertain people all year round

Our goals are:

- To inspire and entertain people through excellent, diverse and innovative work across all art forms.
- To involve the whole community, especially young people, in a wide range of participatory activities.
- To learn about and develop our relationship with our existing and potential audiences.
- To collaborate with arts and non-arts organisations in developing a vibrant arts infrastructure in the community.
- To actively support the development of new work.
- To be an ambitious but sustainable organisation.

The major development this financial year has been the signing of a partnership agreement and 12 year lease under which Dorchester Arts takes over full management of the Corn Exchange building. Both agreements were drawn up on a sustainable model, recognizing that the maintenance and management of a large heritage building present significant financial challenges and we are grateful to the Town Council for their continued support and understanding. The aim is to make the building operate more efficiently and effectively for the benefit of the whole community, and regular meetings are held to monitor progress towards the outcomes laid out in the Partnership Agreement.

The building works at the Corn Exchange took longer than anticipated, and no indoor performances were possible until the autumn – and even these had to be rescheduled due to further unexpected delays in completion of the building works resulting largely from supply chain issues and the inevitable complications of redeveloping a listed building.

A summer outdoor season proved popular and was an ideal way to reconnect with our audiences following a long break due to Covid and building works. In late summer it became clear that the building works at both the Corn Exchange and Thomas Hardy School would overrun, and we made significant changes to the programme to accommodate this, through moving events to third party venues or, where this proved impossible, postponing them until early 2022. Inevitably this caused a certain amount of disruption and reduced our box office potential for the period, but audiences and performers were very understanding and ultimately the performance season was a success in spite of the challenges thrown at us.

Spring 2022 saw the reopening of the Corn Exchange with its new seating, sound, lighting and projection in place, all of which proved very popular with audiences and performers alike. An opening event, with Dame Harriet Walter as guest of honour, was held on January 29th. Some performances were less well-attended than expected, but this was perhaps inevitable with the lingering presence of Covid infections and certain audiences having lost both the habit of attending live event and, in some cases, the confidence to gather in large numbers. In February, Frozen Light Theatre returned with another phenomenal performance designed specifically for audiences with Profound Multiple Learning Difficulties.

In March we exhibited Luke Jerram's *Mars* artwork, and built a programme of performances and participation activities around it. These included special sessions for those on the autistic spectrum, older people, a Parkinson's Dance class 'under Mars', and intergenerational dance and music workshops. Schools were able to attend bespoke sessions to both learn about astronomy and to take part in creative activities under the artwork. 4700 members of the public came to see the exhibition and 600 school children participated in creative activities.

DORCHESTER ARTS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Our community engagement programme slowly returned to face-to-face sessions as the building reopened and Covid restrictions eased. In January we appointed Jess Beale to the role of Community Engagement Manager (3 days per week). This appointment has allowed us to expand our participation and community programmes significantly. During the summer of 2021 we entered into discussions with Sherborne ArtsLink about taking over their participation programme, as they had decided to cease their activities, but wanted to find an organization who could use their remaining funds to build a sustainable future for the activities in Sherborne. It felt like a good fit on both sides, as there was a close match with both our existing and planned outreach activities, and the board of Dorchester Arts concluded that it was not only within our charitable aims but also had the potential to strengthen the organization through extending its geographical reach. Agreements with both ArtsLink and the National Lottery Community Fund (their main funder) were signed in late summer and we started running the activities (Art For Parents, Art for Memory and Parkinson's Dance) in the autumn. We continue to run these activities and are exploring the best way to continue them once the funding runs out in early 2024.

Financial review

The annual accounts attached to this report show in respect of the General Unrestricted Funds that we generated an operating surplus of £29,909 in the financial year 21/22. This compares well with corresponding figure of £28,778 for the previous year. Our performance programme produced a modest profit of £10.5K which primarily came from a popular and successful summer season. As previously stated the start of our indoor season in the Corn Exchange had to be delayed due to unforeseen issues arising within the renovation works which meant that we were unable to recommence events until well into the autumn. The first event there was at the start of December but prior to that we had operated a limited programme from a number of alternative venues across the town. After such a long break in our activities we felt that it was important to be offering a full and varied programme but ticket sales were significantly down on what we had predicted and thus this programme ran at an overall loss. This undoubtedly reflected the continuing impact of the pandemic and associated lockdowns on so many of our supporters manifested in part by a wariness of indoor gatherings. Despite this we were encouraged by the very positive reception that the improvements in our core venue received from those attending performances there, such as the new seating rake, the seats themselves, the upgraded lighting and sound systems which bodes well for the future. Thus these satisfactory financial results are heavily underpinned by our income from grants, membership and donations. Grants from public bodies at £27.3K reflect the continuing and highly valued support from Dorset Council and Dorchester Town Council. This figure is much reduced from the £123.4K for 20/21 but that included the large sums received not only from Arts Council England but also the UK government's Coronavirus Job Retention Scheme in that year. Donations and gifts at £108K is exactly double the 20/21 figure for the previous year. Whilst including significant amounts from commercial sponsors this increase is largely a reflection of the immense generosity of individual supporters who share the organisations aims and objectives together with our aspirations for Dorchester and the wider community.

The increase in the year's expenditure relating to the Unrestricted Funds (both general and designated) of £90.2K is predominately related to the re-starting of the performance programme. This is reflected across a number of separate costs lines (printing, advertising, stationery, postage, bank charges as well as the direct performance costs) together with the post-Covid re-activation of our wider activities, such as fundraising. There were also some additional costs which were associated with the upgraded Corn Exchange venue together with an element of professional fees relating to our continuing evaluation of possibilities for the re-organisation of the front area of the building. This last item is associated in part with the drawdown of £5.5K of designated funds in the year.

The 21/22 Staff Costs at £102.7K appear to be significantly higher than those incurred in the previous year (£89K). However, the 20/21 figure was artificially depressed because of the Covid related Furlough scheme. For the majority of the period the scheme was accessed in respect of all of the DA staff the difference between the monthly support payments and their salaries was made up by the organisation. However, as the Furlough scheme continued this policy was considered to be unsustainable and was phased out, thereby reducing our overall salaries bill in that year. The comparable figure for 19/20 was £102.5K.

DORCHESTER ARTS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The restricted funds that we hold are entrusted to us for specified activities and events that we co-ordinate or actually carry out. The closing balance reflects the value of these that have yet to happen as at 31 March 2022 and it will be noted that this figure has risen significantly since 1 April 2021 (£90.3K cf £14.1K). Whilst this change in part reflects a welcome increase in activity over a number of projects it is principally related to the transfer of the residual Sherborne Artslink funds to enable us to continue and develop their work.

The closing balance of the general unrestricted fund at £78.2K represents an all-time high for the organisation. However, the receipt of much of the financial support received both during and since the onset of the Covid pandemic was aimed at aiding our survival in its aftermath. The Board has long appreciated that it is in this period that Dorchester Arts faces the highest level of risk and challenges and this is indeed proving to be the case. The problems encountered within the 20/21 performance programme in respect of depressed ticket sales have continued into the current financial year, a situation exacerbated by the dramatic increase in the cost of living. In this we are no different from the majority of performance venues across the country. These factors, coupled, with the delay in the opening of the Hardye Theatre and the rise in energy costs (for which we are now solely responsible within the Corn Exchange) have contributed to Dorchester Arts operating at a loss. The indications are that this situation will persist to the year-end and thus result in the utilisation of a significant proportion of these reserves. The focus of both the Board and the entire staff has been on mitigating the impact of this loss, monitoring closely both costs and revenue streams and reviewing across the board all of our operations, including the performance and fundraising programmes. A re-appraisal of the current business model and the setting of a balanced budget for 22/23 are further priorities.

Despite this situation the Board continue to believe in the potential of our two upgraded and complimentary venues together with income generation opportunities from within the Corn Exchange and in the vital benefits that this can bring, not just to the organisation itself but, critically, to the community as a whole. There is no doubt that this recovery phase will take longer than originally envisaged and that our need for support from as wide a pool as possible will continue as we evolve and adapt to the changing and volatile financial landscape.

Structure, governance and management

a. GOING CONCERN

The trustees have considered the financial position of the charity, both during the period and as a result of the current economic climate and have assessed both financial and operational risk. They are of the opinion that the charity has sufficient financial resources to continue to operate as a going concern for the foreseeable future. Accordingly, the trustees continue to adopt the going concern basis in the preparation of the financial statements. For further information please refer to the financial review section of the trustee's report.

b. RESERVES POLICY

The Trustees' policy regarding reserves is to aim to maintain sufficient funds to ensure running of the organisation for at least 3 months. This policy is normally based on the total of last year's non programme expenditure.

Due to the exceptional factors indicated above the general free reserves have increased in the year and currently meet this target level.

c. CONSTITUTION

The company is registered as a charitable company limited by guarantee and was set up by Articles of Association.

The company is constituted under Articles of Association. The company registered number is 2752793 and the charity registered number is 1015546.

DORCHESTER ARTS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

d. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

Trustees are elected annually at the AGM but casual vacancies may be filled during the year subject to formal election at the AGM.

Trustees, who are also directors for the purpose of company law, and who served during the year and up to the date of the signature on the financial statements were:

T James	
P Smith	
P Treadwell	
J Veale	
T Ware	(Resigned 29 January 2022)
A Eigeland	
H Trevorrow	
L Sheaves	
A Johnson	(Appointed 29 January 2022)

The trustees' report was approved by the Board of Trustees.



P Smith

Trustee

Dated: 16-12-2022

DORCHESTER ARTS

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF DORCHESTER ARTS

I report to the trustees on my examination of the financial statements of Dorchester Arts (the charity) for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

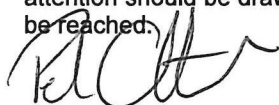
Independent examiner's statement

Since the charity'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 The Institute of Chartered Accountants in England and Wales, 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



Pete Cattermole FCA
CB Reid Limited

Wadebridge House
16 Wadebridge Square
Poundbury
Dorchester
Dorset
DT1 3AQ

Dated: 21/12/22

DORCHESTER ARTS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total Unrestricted funds	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total
		2022	2022	2022	2022	2021	2021	2021	2021
		£	£	£	£	£	£	£	£
Income from:									
Grants, membership and donated income	2	135,259	-	5,850	141,109	139,276	37,753	-	177,029
Fundraising income	3	92,897	-	104,853	197,750	941	-	27,297	28,238
Investments	4	18	-	-	18	21	-	-	21
Total income		228,174	-	110,703	338,877	140,238	37,753	27,297	205,288
Expenditure on:									
Raising funds	5	4,289	-	-	4,289	-	-	-	-
Administration and fundraising costs	6	193,976	5,464	34,537	233,977	111,460	2,044	19,591	133,095
Total expenditure		198,265	5,464	34,537	238,266	111,460	2,044	19,591	133,095
Net income for the year/ Net movement in funds		29,909	(5,464)	76,166	100,611	28,778	35,709	7,706	72,193
Net income for the year/ Net movement in funds		29,909	(5,464)	76,166	100,611	28,778	35,709	7,706	72,193
Fund balances at 1 April 2021		48,330	35,709	14,129	98,168	19,552	-	6,423	25,975
Fund balances at 31 March 2022		78,239	30,245	90,295	198,779	48,330	35,709	14,129	98,168

DORCHESTER ARTS

**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 MARCH 2022

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

DORCHESTER ARTS

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		2,188		100
Investments	11		4,008		1
			<u>6,196</u>		<u>101</u>
Current assets					
Debtors	12	3,423		1,284	
Cash at bank and in hand		208,366		108,335	
		<u>211,789</u>		<u>109,619</u>	
Creditors: amounts falling due within one year	13	(19,206)		(11,552)	
Net current assets			192,583		98,067
Total assets less current liabilities			<u>198,779</u>		<u>98,168</u>
Income funds					
Restricted funds			90,295		14,129
Unrestricted funds - designated			30,245		35,709
Unrestricted funds - general			78,239		48,330
			<u>198,779</u>		<u>98,168</u>

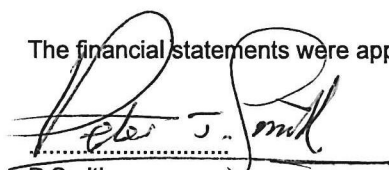
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 16-12-2022


P Smith
Trustee

Company registration number 02752793

DORCHESTER ARTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Dorchester Arts is a private company limited by guarantee incorporated in England and Wales. The registered office is The Corn Exchange, High East Street, Dorchester, Dorset, DT1 1HF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have considered the financial position of the charity, both during the period and as a result of the current economic climate and have assessed both financial and operational risk. They are of the opinion that the charity has sufficient financial resources to continue to operate as a going concern for the foreseeable future. Accordingly, the trustees continue to adopt the going concern basis in the preparation of the financial statements. For further information please refer to the financial review section of the trustee's report.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DORCHESTER ARTS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Government grants are recognised based on the performance model. Grants that do not impose specified future performance-related conditions are recognised when the grant is received. Grants that impose specified future performance-related conditions are only recognised when these conditions are met.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

DORCHESTER ARTS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

DORCHESTER ARTS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

2 Grants, membership and donated income

	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Donations and gifts	107,945	-	5,850	113,795	53,577
Grants from public bodies	27,314	-	-	27,314	123,452
	<u>135,259</u>	<u>-</u>	<u>5,850</u>	<u>141,109</u>	<u>177,029</u>
For the year ended 31 March 2021	<u>139,276</u>	<u>37,753</u>	<u>-</u>		<u>177,029</u>

Included in grant income is £3,464 of Coronavirus Job Retention Scheme grants and £23,850 of local authority grants from Dorset Council (£21,600) and Dorchester Town Council (£2,250).

3 Fundraising income

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Other fundraising activities	16,942	750	17,692	72	-	72
Box office admission charges	75,227	-	75,227	669	-	669
Project income	728	104,103	104,831	200	27,297	27,497
	<u>92,897</u>	<u>104,853</u>	<u>197,750</u>	<u>941</u>	<u>27,297</u>	<u>28,238</u>

4 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Interest receivable	<u>18</u>	<u>21</u>

DORCHESTER ARTS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Raising funds

	Unrestricted funds general 2022 £	Total 2021 £
<u>Fundraising and publicity</u>		
Other fundraising costs	4,289	-
	<u>4,289</u>	<u>-</u>

6 Administration and fundraising costs

	2022 £	2021 £
Staff costs	102,680	89,063
Depreciation and impairment	829	100
Programmes and performers	64,750	245
Printing and advertising	6,908	247
Accountancy	960	-
Stationery	773	48
Postage	2,372	23
Repairs and maintenance	5,738	10,900
Travel and training	533	-
Insurance	1,406	1,651
Bank charges	6,354	1,479
Miscellaneous, materials and sundry	2,664	657
Rent	-	3,000
Telephone	3,846	3,075
Project expenditure	32,664	21,107
	<u>232,477</u>	<u>131,595</u>
Share of governance costs (see note 7)	1,500	1,500
	<u>233,977</u>	<u>133,095</u>
Analysis by fund		
Unrestricted funds - general	193,976	111,460
Unrestricted funds - designated	5,464	2,044
Restricted funds	34,537	19,591
	<u>233,977</u>	<u>133,095</u>

DORCHESTER ARTS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Independent Examiner's fees	-	1,500	1,500	1,500
	-	1,500	1,500	1,500
Analysed between Charitable activities	-	1,500	1,500	1,500

The Independent Examiner's remuneration amounts to an Independent Examination fee of £1,500 (2021 - £1,500) which includes £900 for preparation of the accounts.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	5	5
Employment costs	2022 £	2021 £
Wages and salaries	102,680	89,063

No employees received total employee benefits of more than £60,000 (2020 - NIL).

There were no employees whose annual remuneration was more than £60,000.

DORCHESTER ARTS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

10 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2021	21,152
Additions	2,917
At 31 March 2022	<u>24,069</u>
Depreciation and impairment	
At 1 April 2021	21,052
Depreciation charged in the year	829
At 31 March 2022	<u>21,881</u>
Carrying amount	
At 31 March 2022	<u>2,188</u>
At 31 March 2021	<u>100</u>

11 Fixed asset investments

	Other investments
Cost or valuation	
At 1 April 2021 & 31 March 2022	<u>1</u>
Carrying amount	
At 31 March 2022	<u>1</u>
At 31 March 2021	<u>1</u>

Other investments comprise:	Notes	2022 £	2021 £
Investments in subsidiaries	16	1	1
Loans to subsidiaries	16	4,007	-
		<u>4,008</u>	<u>1</u>

DORCHESTER ARTS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Debtors	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	3,416	736
Prepayments and accrued income	7	548
	<u>3,423</u>	<u>1,284</u>
13 Creditors: amounts falling due within one year	2022	2021
	£	£
Deferred income	14,782	6,573
Trade creditors	2,844	2,020
Other creditors	680	2,059
Accruals	900	900
	<u>19,206</u>	<u>11,552</u>

DORCHESTER ARTS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

14 Analysis of net assets between funds

Fund balances at 31 March 2022 are represented by:

	Restricted funds 2022 £	Unrestricted funds general 2022 £	Unrestricted designated funds 2022 £	Total 2022 £	Restricted funds 2021 £	Unrestricted general funds 2021 £	Unrestricted designated funds 2021 £	Total 2021 £
Tangible assets	-	2,188	-	2,188	-	100	-	100
Investments	-	4,008	-	4,008	-	1	-	1
Current assets/(liabilities)	90,295	72,043	30,245	192,583	14,129	48,229	35,709	98,067
	<u>90,295</u>	<u>78,239</u>	<u>30,245</u>	<u>198,779</u>	<u>14,129</u>	<u>48,330</u>	<u>35,709</u>	<u>98,168</u>

DORCHESTER ARTS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Related party transactions

There were no disclosable related party transactions during the year.

16 Subsidiaries

These financial statements are separate charity financial statements for Dorchester Arts.

Details of the charity's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Dorchester Arts Trading Limited (Co. Number 09620457)	England	Retail sale of beverages	Ordinary shares	100.00	