

REGISTERED COMPANY NUMBER: 01244398
REGISTERED CHARITY NUMBER: 506146

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 JULY 2020
FOR
ST. DONAT'S ARTS CENTRE LIMITED**

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

ST. DONAT'S ARTS CENTRE LIMITED

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FOR THE YEAR ENDED 31 JULY 2020**

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ST. DONAT'S ARTS CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2020. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

The charity's objects

The primary objects for which St. Donat's Arts Centre Limited (SDAC) is established, as stated in the Memorandum and Articles of Association, are carried out for public benefit. They are:

"To further and promote the maintenance, improvement and development of artistic taste and the knowledge, understanding and appreciation of the arts among the St Donat's community and members of the general public."

The charity's aims

SDAC carries out its objects with the aim of inspiring, challenging and stimulating audiences, participants and visitors through a diverse arts programme by providing financial support to Atlantic College Enterprises to assist them in delivering a diverse arts programme that is accessible to people irrespective of their socio-economic and cultural backgrounds and inclusive for both able-bodied and non-able bodied people.

Public benefit

The charity trustees have complied with the duty in section 17 of the Charities Act 2011 and have paid due regard to the Charity Commission's public benefit guidance in deciding what activities SDAC should undertake.

ACHIEVEMENT AND PERFORMANCE

As a result of grants previously received from the Vale of Glamorgan Council, SDAC has been able to continue to support the provision of a diverse artistic programme to audiences drawn from the Vale, South Wales, and other regions of Wales, England and beyond.

FINANCIAL REVIEW

SDAC earned no income during the current year. After depreciation of £30,039 and other costs the attached financial statements are showing a deficit of £31,047 for the year.

Funds

A total fund balance of £769,436 was carried forward at 31 July 2020. The general fund shows a balance of £18,566 after designating £750,870 in respect of the property.

Tangible fixed assets

Details of tangible fixed assets are shown in note 8 of the accounts.

Investment powers and policy

Under the Memorandum and Articles of Association, SDAC has the power to make any investment which the trustees see fit. The trustees, having regard to the liquidity requirements of operating the centre and to the reserves policy have operated a policy of keeping available funds in an interest-bearing deposit account and to seek to achieve a rate of deposit interest which matches or exceeds inflation as measured by the retail prices index.

Reserves policy

There are currently free reserves of £18,746. The charity holds grant funds on a short-term basis pending approval of qualifying projects together with a small balance to cover the on-going governance costs of the charity.

FUTURE PLANS

The last three-year funding commitment from the Vale of Glamorgan Council was completed in 2018. The Board are in discussions with funders and Atlantic College over the future role of the charity.

ST. DONAT'S ARTS CENTRE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

St Donat's Arts Centre (SDAC) is a company limited by guarantee and a registered charity. It is governed by its Memorandum and Articles of Association, as amended by special resolution on 20 February 2013.

Recruitment and appointment of new trustees

In accordance with SDAC's Memorandum and Articles of Association, the trustees form SDAC's Board of Management. This comprises a Chair, an Honourable Secretary and an Honourable Treasurer (officers of the Board) and any number of other trustees who are SDAC members. The officers and other members of the Board are elected by and out of SDAC members at the annual general meeting. In accordance with the requirements of the Vale of Glamorgan Council, two of their councillors are nominated to become trustees and two officers are nominated as observers.

Induction and training of new trustees

New trustees are provided with information that outlines basic information about SDAC, existing trustees, how the Board works, recent financial performance and business planning information. In addition, they are given a copy of the Memorandum and Articles of Association, a copy of Care, Diligence and Skill (published by the Scottish Arts Council), a copy of the Charities Commission's document outlining the responsibilities of Trustees, The Essential Trustee and a copy of Charity Directors & Secretaries published by Companies House. Meetings are held with senior management staff and the Chair of the Board.

Organisational structure

The management of SDAC is carried out by its trustees who constitute the Board of Management. SDAC's Board of Management meets approximately every three months. Separate sub-committees are appointed from time to time as required.

Given the current scale of the charity's operations, day to day matters are dealt with by the trustees.

The Board has overall responsibility for the governance of SDAC and fundraising. The responsibility for day to day operations is delegated to Atlantic College Enterprises within an overall programme agreed between the Board and Atlantic College.

Risk management

The trustees have considered the risks currently associated with the charity's operations.

Related parties

SDAC has a close relationship with the Vale of Glamorgan Council which has provided funding to enable SDAC to carry out its charitable objectives. SDAC also has a close relationship with Atlantic College and Atlantic College Enterprises Limited.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01244398

Registered Charity number

506146

Registered office

Orchard House
Turkey Street
LLANTWIT MAJOR
South Glamorgan
CF61 1SR

ST. DONAT'S ARTS CENTRE LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

A Leonard - Chairman
G Benfield OBE - Vice Chairman
J Harland
Mrs J Knapp
Mrs J Smith

Observers

Observers during the year were as follows:

Vale of Glamorgan Council R Penrose
United World College of the Atlantic A Fleming

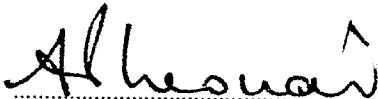
Independent examiner

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Bankers

Lloyds Bank PLC
Victoria
CARDIFF

Approved by order of the Board of Trustees on 12 April 2021 and signed on its behalf by:



A Leonard - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
ST. DONAT'S ARTS CENTRE LIMITED**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 July 2020 which are set out on pages five to twelve.

Responsibilities and basis of report

As the charity trustees of the company (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 the company 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 company'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

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 company 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.

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

13 April 2021

ST. DONAT'S ARTS CENTRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Presentation and development of the arts		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total		-	-	-	-
EXPENDITURE ON					
Charitable activities					
Presentation and development of the arts	3	<u>31,047</u>	-	<u>31,047</u>	<u>30,867</u>
NET INCOME/(EXPENDITURE)		(31,047)	-	(31,047)	(30,867)
RECONCILIATION OF FUNDS					
Total funds brought forward		800,483	-	800,483	831,350
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		<u>769,436</u>	-	<u>769,436</u>	<u>800,483</u>

The notes form part of these financial statements

ST. DONAT'S ARTS CENTRE LIMITED (REGISTERED NUMBER; 01244398)

BALANCE SHEET
AT 31 JULY 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	8	750,870	-	750,870	780,909
CURRENT ASSETS					
Cash at bank		19,496	-	19,496	20,324
CREDITORS					
Amounts falling due within one year	9	(930)	-	(930)	(750)
NET CURRENT ASSETS		<u>18,566</u>	<u>-</u>	<u>18,566</u>	<u>19,574</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>769,436</u>	<u>-</u>	<u>769,436</u>	<u>800,483</u>
NET ASSETS		<u>769,436</u>	<u>-</u>	<u>769,436</u>	<u>800,483</u>
FUNDS					
Unrestricted funds	10			<u>769,436</u>	<u>800,483</u>
TOTAL FUNDS				<u>769,436</u>	<u>800,483</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2020.

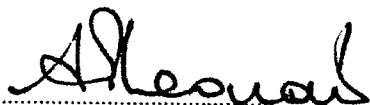
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 July 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved for issue by the Board of Trustees on 12 April 2021 and were signed on its behalf by:



A Leonard - Trustee

The notes form part of these financial statements

ST. DONAT'S ARTS CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

1. STATUTORY INFORMATION

St Donat's Arts Centre Limited is a registered charity and private company limited by guarantee having no share capital. It is incorporated in Wales in the United Kingdom. The registered office is Orchard House, Turkey Street, Llantwit Major, CF61 1SR.

Each member is liable for a maximum of £10 in the event of the company being wound up.

The nature of the company's operations and principal activities is disclosed within the Report of the Trustees.

The financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Section 1A "Smaller Entities" of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There have been no material departures from Financial Reporting Standard 102 section 1A.

These financial statements have been prepared in compliance with SORP (FRS 102).

Going concern

No material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern exist, although the three year funding commitment from the Vale of Glamorgan Council was completed in 2018. The Board of trustees are currently in discussions with funders and Atlantic College over the future role of the charity.

Income

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

This includes capital grants.

Donations and legacies income

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support the presentation and development of the arts. This income is recognised where there is entitlement, when the receipt is probable and the amount can be measured reliably. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

ST. DONAT'S ARTS CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2020**

2. ACCOUNTING POLICIES - continued

Investment income

Investment income is recognised on a receivable basis.

It is not the policy of the charity to show income net of expenditure.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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 to support them.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

Expenditure includes VAT as the charity is not VAT registered.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment	- 10 - 100% per annum straight line
Fixtures and fittings	- 12.5% per annum straight line
Improvement to leasehold properties	- life of lease

Fixed assets are initially recorded at cost.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due

Creditors and provisions

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

Basis of recognition of liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation which commits the charity to the expenditure.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Financial instruments

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

ST. DONAT'S ARTS CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2020

2. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds are amounts of unrestricted funds set aside by the trustees for particular purposes. The charity's policy is to create a designated fund where unrestricted funds are represented by substantial fixed assets.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Significant accounting judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, be likely to differ from the related actual results. No estimates or assumptions have been identified that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 5)	Totals
	£	£	£
Presentation and development of the arts	<u>-</u>	<u>31,047</u>	<u>31,047</u>

4. SUPPORT COSTS

	Depreciation	Other costs	Governance costs	Totals
	£	£	£	£
Presentation and development of the arts	<u>30,039</u>	<u>78</u>	<u>930</u>	<u>30,867</u>

5. NET INCOME/(EXPENDITURE)

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

	2020	2019
	£	£
Depreciation - owned assets	30,039	30,039
Independent examination fee	750	750
Corporation tax fee	<u>180</u>	<u>-</u>

ST. DONAT'S ARTS CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2020

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2020 or for the year ended 31 July 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2020 or for the year ended 31 July 2019.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	2019 Unrestricted funds £	2019 Restricted funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM Charitable activities			
Presentation and development of the arts	-	-	-
	<hr/>	<hr/>	<hr/>
Total	-	-	-
EXPENDITURE ON Charitable activities			
Presentation and development of the arts	30,867	-	30,867
	<hr/>	<hr/>	<hr/>
NET INCOME/(EXPENDITURE)	(30,867)	-	(30,867)
RECONCILIATION OF FUNDS			
Total funds brought forward	831,350	-	831,350
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>800,483</u>	<u>-</u>	<u>800,483</u>

ST. DONAT'S ARTS CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2020

8. TANGIBLE FIXED ASSETS

	Long leasehold property improvements £	Equipment £	Fixtures and fittings £	Totals £
COST				
At 1 August 2019 and 31 July 2020	<u>1,425,839</u>	<u>31,873</u>	<u>28,829</u>	<u>1,486,541</u>
DEPRECIATION				
At 1 August 2019	644,930	31,873	28,829	705,632
Charge for year	<u>30,039</u>	<u>-</u>	<u>-</u>	<u>30,039</u>
At 31 July 2020	<u>674,969</u>	<u>31,873</u>	<u>28,829</u>	<u>735,671</u>
NET BOOK VALUE				
At 31 July 2020	<u>750,870</u>	<u>-</u>	<u>-</u>	<u>750,870</u>
At 31 July 2019	<u>780,909</u>	<u>-</u>	<u>-</u>	<u>780,909</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Other creditors	<u>930</u>	<u>750</u>

ST. DONAT'S ARTS CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2020

10. MOVEMENT IN FUNDS

	At 1/8/19 £	Net movement in funds £	At 31/7/20 £
Unrestricted funds			
General fund	19,574	(1,008)	18,566
Building fund	780,909	(30,039)	750,870
	<u>800,483</u>	<u>(31,047)</u>	<u>769,436</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	-	(1,008)	(1,008)
Building fund	-	(30,039)	(30,039)
	<u>-</u>	<u>(31,047)</u>	<u>(31,047)</u>

Comparatives for movement in funds

	At 1/8/18 £	Net movement in funds £	At 31/7/19 £
Unrestricted funds			
General fund	20,402	(828)	19,574
Building fund	810,948	(30,039)	780,909
	<u>831,350</u>	<u>(30,867)</u>	<u>800,483</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	-	(828)	(828)
Building fund	-	(30,039)	(30,039)
	<u>-</u>	<u>(30,867)</u>	<u>(30,867)</u>

Designated Building fund

The Building fund represents the net book value of leasehold property improvements.

11. CONTINGENT LIABILITIES

The charity received a grant of £481,800 from the Arts Council of Wales in respect of leasehold property improvements included in fixed assets. An agreement has been reached with the Arts Council of Wales that on SDAC surrendering the lease back to Atlantic College there will be no 'clawback' of funding as long as the facility continues to be made available as a public community resource.

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 July 2020 (2019: £nil) that required disclosure.