

Company registration number: 02438900

Charity registration number: 900637

Petherton Arts Trust Ltd

(A company limited by guarantee)

Unaudited Annual Report and Financial Statements

for the Year Ended 31 March 2022



Petherton Arts Trust Ltd
Contents (continued)

Reference and Administrative Details	1
Trustees' Report	2 to 7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11 to 24

Petherton Arts Trust Ltd
Reference and Administrative Details

Trustees	Christopher Latham, Chair Peter Wheeler Tom Davies Janet East, appointed 1 May 2021 Derek Boles Angela Keating Mick Connon
Administrator & Finance	Kerry Bamford
Charity Registration Number	900637
Company Registration Number	02438900
	The charity is incorporated in England and Wales.
Registered Office	The David Hall Roundwell Street South Petherton Somerset TA13 5AA
Independent Examiner	Michael Cook A C Mole Stafford House Blackbrook Park Avenue Taunton Somerset TA1 2PX
Bankers	National Westminster Bank PLC St James Street South Petherton Somerset TA13 5BP

Petherton Arts Trust Ltd

Trustees' Report

The Board of Management present their Report and the unaudited financial statements of the Company for the year ended 31 March 2022. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, 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) (issued October 2019).

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 2 November 1989 and registered as a charity on 26 July 1990. The company was established under a Memorandum of Association and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Members of the Board of Management

Members of the Board of Management, who are directors for the purpose of company law and trustees for the purpose of charity law, to the date of this report are set out on page 1.

Recruitment and Appointment of the Board of Management

The directors of the company are also the charity trustees for the purposes of charity law and under the company's Articles are known as members of the Board. Under the requirements of the Memorandum and Articles of Association the members of the Board are elected to serve for a period of one year after which they must be re-elected at the next Annual General Meeting.

The Board members include a significant number with professional knowledge of music and the arts. When recruiting Board members care is taken to ensure a broad level of suitable skills is maintained.

Trustee Induction and Training

Most trustees are already familiar with the practical work of the charity having been regular attendees at the charity's events.

New trustees receive induction notes on their responsibilities and duties.

Risk Management

The Board has conducted a review of the major risks to which the charity is exposed. As a public venue it is subject to regular inspections by the fire officer and all issues raised are dealt with. A member of the board has been given responsibility for risk assessment and carries out regular checks. Fire and Electrical safety surveys have been undertaken and new certificates obtained. The lift now also falls under a regular inspection regime.

Organisational Structure

Petherton Arts Trust currently has a Board who meet bi-monthly and are responsible for the strategic direction and policy of the charity. At present the Board has seven members from a variety of professional backgrounds.

The staffing structure has been amended, late in this financial year to create three posts:

1. A Program Administrator responsible for the production and delivery of the Trust's professional programme.
2. A Finance Officer.
3. A Centre Administrator, responsible for the day-to-day running of the venue.

These changes were undertaken within the same total hours of the previous system, and will be reviewed.

The Board are responsible for ensuring that the charity operates the David Hall effectively and that key performance indicators are met.

Petherton Arts Trust Ltd Trustees' Report (continued)

Objectives and Activities

The company's objects and principal activities are: To promote, maintain, improve and advance public education within the community at large and particularly in South Petherton in the County of Somerset by the promotion, production and performance of, and the encouragement of, the arts of drama, mime, ballet, dance, music, singing, playwriting, literature and visual arts, sculpture and painting.

In furtherance of the objects set out above but not otherwise: -

- i) To set up, maintain and manage organisations for the promotion of theatrical performances, film events, shows and all artistic endeavors for firms, companies and individuals involved in any leisure, educational or other activity.
- ii) To arrange tours, conventions, seminars, classes, study groups, workshops and similar activities concerning the performing arts.
To engage and provide the services of artistes, actors, singers, dancers, variety performers, lecturers, instructors, entertainers and any other persons for the production, transmission, representation and performance of scenarios, film plays, stage plays, operas, burlesques, vaudevilles, pantomimes, performances and amusements of any kind.
- iii) To issue publications of performance or other programme details and advertising needs and all other matters with regard to competitions, exhibitions and musical and film activities.
- iv) To enter into agreements with authors, composers and lyric writers or other persons for the dramatic or other rights of operas, stage plays, operettas, revues, burlesques, vaudevilles, ballets, pantomimes, spectacular pieces, musical compositions, cinematograph and moving picture plays, scenarios and other musical and dramatic performances and entertainments, or for the representation thereof in any part of the world.
- v)

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the company's aims and objectives and in planning future activities.

Achievements and Performance

Introduction

This is the 34th annual report of The Petherton Arts Trust which summarises the events, activities, challenges, successes and opportunities that have featured during the year 2021/22.

In this period Tom Davis took the helm as acting chair, in addition to his role as secretary. Subsequently, Chris Latham took over as chair for the major part of the 2021/22 year, and completed this report.

I acknowledge and recognise the contribution made by our staff and volunteers, and particularly the Board who continued to act with integrity and prompt action during this challenging period

Fabric of the David Hall Building

The roof repairs highlighted in the previous year's report were completed and some payments were made into this financial year, along with the remaining CRF grant made available on submission of the report.

The remaining work to be done on the roof is to repair the damaged ceiling, which is planned to be completed in August 2022 - the next financial year.

Additional work completed through voluntary labour has included the painting of the female toilets, the foyer, and some minor repairs to both the disabled facilities and the floor of the bar store which suffered a collapse due to water ingress which, with the roof repair, has now been solved.

As always, the condition of the building will no doubt continue to need attention in keeping with a building of this age and conservation requirements.

Petherton Arts Trust Ltd Trustees' Report (continued)

Activities and Entertainments

Sadly the financial year 1 April 2021 - 31 March 2022 was once again affected by Covid restrictions and, therefore, the programme has been reduced from what was originally planned. This reduction in the number of performances, together with the restrictions and concerns experienced by our customers has clearly had a detrimental effect on our finances.

After a period of total lockdown the rules changed on 12 April which enabled the Hall to be used for hirings. This meant that a number of events such as Silver Swans and Flamenco classes resumed but, unfortunately, many did not. On 17 May the Government announced further changes which enabled socially distanced events to take place. As a result the following two events took place in June:-

3 June - Balshazzars Feast (two socially distanced performances)

19 June - Kitty MacFarlane (two socially distanced performances)

Sadly the Folk Festival planned for June 2021 had to be cancelled.

The situation improved with the lifting of restrictions in July 2021 which meant that we were able to hold events with no reduction in capacity. However, as mentioned before, many of our punters remained concerned about catching the virus and therefore numbers were reduced.

The following events took place from July onwards:-

- Saturday 3 July - Martin Harley - two socially distanced performances

- Sunday 4 July - Barcroft Hall Open Gardens (2.30 - 5.00 pm)

- Sunday 4 July - Old Herbaceous Theatre (from 6.00 pm)

- Saturday 10 July - Fiesta Flamenca

- Sunday 25 July - Wedding Fayre (10.00 - 4.00 pm)

- Saturday 7 August - Moscow Drug Club

- Saturday 14 August - Live and Local with Reg Meuross

- Saturday 21 August - Talisman (Chance to Dance Event)

- Saturday 18 September - Martin Simpson

- Friday 24 September - Seckou Keita

- Saturday 2 October - Merry Hill (Chance to Dance Event)

- Saturday 16 October - Budapest Cafe Orchestra

- Saturday 23 October - Sam Carter

- Saturday 6 November - Craft Fayre (9.30 am - 12.30 pm)

- Saturday 6 November - Kathryn Roberts and Shaun Lakeman

- Saturday 13 November - Martin Joseph

- Saturday 20 November - The David Hall Quiz Night

- Thursday 25 November - Skerryvore (Chance to Dance Event)

- Sunday 28 November - Christmas Tea Party (2.00 - 4.00 pm)

- Friday 3 December - Richard Digance

**Petherton Arts Trust Ltd
Trustees' Report (continued)**

- Saturday 4 December - Cinderella 2 (Family Panto)
- Friday 10 December - St Agnes Fountain
- Saturday 11 December - St Agnes Fountain
- Saturday 18 December - Tankus the Henge (Chance to Dance)

2022:-

- Saturday 15 January - Cara Dillon
- Saturday 22 January - Willie and the Bandits
- Saturday 29 January - The Churchfitters
- Saturday 19 February - Mr Tea and the Minions (Chance to Dance)
- Saturday 26 February - John Hegley (Theatre/Spoken Word)
- Sunday 27 February - Peter Knight and Jon Spiers
- Saturday 5 March - Cut Capers (Chance to Dance)
- Saturday 12 March - Steve Knightley
- Friday 18 March - Multi Story Theatre Company
- Saturday 19 March - Guitar Worksop with Clive Carroll (Worksop 11.30 am - 1.00 pm and Concert 8.00 pm)
- Sunday 20 March - Tibetan Singing Bowl (2.00 - 3.30 pm)
- Saturday 26 March - Edwina Hayes

In addition to the above events, the Petherton Picture Show was able to show films during the Autumn of 2021 and the first three months of 2022.

There were also a number of acoustic performances held during this period.

The Trust has been very much busier this year than last year. This has still resulted in a reduction in original plans and numbers, which although much improved, are not yet back to where they were pre COVID..

We are confident that the programme planned for the next year is high quality and diverse in nature and has the potential to increase our numbers and therefore our income.

Petherton Arts Trust Ltd Trustees' Report (continued)

Links with Our Community

The Hall continues to enjoy support from the local community. The monthly coffee mornings were held when possible, with proper safe spacing and arrangements (like table service). The fact that we were able to provide a safe venue proved very popular with large but safe numbers attending. Regular musical entertainment was provided and the mornings provided a valuable social experience. Our thanks go to the volunteers and the coordinators of the coffee mornings - the Hartleys.

Volunteers from the Hall continued to deliver the community magazine to all in the local community. Sadly the Petherton Folk Festival became a victim to the pandemic in 2021 but will again take place in June 2022, with substantial support from the Trust in terms of staffing, stewarding and technical support with volunteers and Board members from the Hall being very active in this event.

Financial Review

2021/22 continued to be a challenging financial year for Petherton Arts Trust. The COVID pandemic had a potentially devastating impact on our activities, and even when restrictions were lifted we were faced with understandable audience reluctance to return. The Cultural Recovery Grant of course did not continue into this period, other than receiving a small remaining amount on completion of the final report and audit. Many small venues were not able to survive this rebuilding period, and we are proud to be able to rely on the growing attendance support of our users which grew steadily, though not achieving pre pandemic figures in this financial year's reporting.

While we now replaced our full reserve funds (with CRF support) we are fully aware of our challenges as we progress into 2022/23 with both reduced secondary income from hall hiring and dramatically increasing energy costs, which are currently taking place.

We became a licensed Wedding Venue in the hope that this will bring in some additional secondary income and we continue to review bar sales and prices alongside ticket prices.

The introduction of cashless bar payments has been a great boost to both our customer experience and bar takings.

We continue to monitor our finances closely and finished the year with a generated Income of £61,705. Our Cost of Sales amounted to £57,241. This leaves a gross profit of £4,460. When our Operating Expenses of £87,986 are applied together with Grant and Donation monies of £24,821 we end the year with a Deficit of £58,705 leaving reserves of £39,647.

Investment Policy

Petherton Arts Trust Limited monies need to remain easily accessible for the day to day running of the Hall and as such it has not been appropriate to consider the longer term investments that might be available. Working capital is held in a current account and further reserves in the Bath Building Society.

Last year a Government backed Bounce Back Loan of £29,938 was taken out in case of need but this money remains untouched in the Building Society.

Reserves Policy

The reserves policy is to hold reserves totalling approximately £12,000. The aim is to meet the working capital requirement of Petherton Arts Trust against a background of no external funding.

For the year ended 31 March 2022 the charity incurred a loss for the period of £58,705 (2021: £82,680 profit).

Total reserves at the year end stood at £39,647 (2021: £98,352) of which £4,915 (2021: £53,992) were restricted reserves leaving £34,732 (2021: £44,360) unrestricted reserves. Of these unrestricted reserves £14,304 are held as fixed assets leaving the charity with free reserves of £20,428.

Given the continuing uncertainty from the ongoing Covid-19 pandemic and the major repair works required at the David Hall the trustees consider it prudent to hold reserves in excess of the reserves policy at this time.

Petherton Arts Trust Ltd Trustees' Report (continued)

Plans for the Future

We will maintain the high quality of performers and presentations that we currently enjoy. The Hall, although a small venue in comparison to many, continues to attract artists that are of national and international reputation. This is principally due to the outstandingly positive relationship with artists and agents that has been forged over the years. We will continue to maintain these relationships and will not compromise on the quality of performers that are booked to appear at the venue.

We will seek to broaden our offering further to attract new audiences with a small classical series and additional spoken word events.

We will seek to increase our secondary income from hiring and other activities.

We will seek further ways to control our energy costs and so reduce our carbon footprint.

We will seek funding opportunities to enable improvements and wider cultural opportunities to take place

Impact of the global pandemic

The COVID-19 global pandemic had an immediate effect on the trust and hall operations and this effect continues into both 2021/22 and, we anticipate, into 2022/23 financial years. We continue to work in this uncertain future, and await the return of more full capacity events, while being aware that Winter may well produce fourth COVID uncertainty, both in health terms and in costs.

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Petherton Arts Trust Ltd 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 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 28 July 2022 and signed on its behalf by:

.....
Christopher Latham
Chairman and Trustee

Petherton Arts Trust Ltd
Independent Examiner's Report to the trustees of Petherton Arts Trust Ltd ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's 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 Petherton Arts Trust Ltd 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

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 Petherton Arts Trust Ltd 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.

.....
Michael Cook BSc FCA
A C Mole
Stafford House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date:.....

Petherton Arts Trust Ltd
Statement of Financial Activities for the Year Ended 31 March 2022
(Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income				
Donations and legacies	3	22,765	2,056	24,821
Charitable activities	4	37,549	-	37,549
Other trading activities	5	24,124	-	24,124
Investment income	6	28	-	28
Total income		<u>84,466</u>	<u>2,056</u>	<u>86,522</u>
Expenditure				
Raising funds	7	(2,900)	-	(2,900)
Charitable activities	8	(85,560)	(56,767)	(142,327)
Total expenditure		<u>(88,460)</u>	<u>(56,767)</u>	<u>(145,227)</u>
Net expenditure		(3,994)	(54,711)	(58,705)
Transfers between funds		<u>(5,634)</u>	<u>5,634</u>	<u>-</u>
Net movement in funds		(9,628)	(49,077)	(58,705)
Reconciliation of funds				
Total funds brought forward		<u>44,360</u>	<u>53,992</u>	<u>98,352</u>
Total funds carried forward	20	<u>34,732</u>	<u>4,915</u>	<u>39,647</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income				
Donations and legacies	3	31,618	79,557	111,175
Charitable activities	4	22,019	-	22,019
Other trading activities	5	7,329	-	7,329
Investment income	6	22	-	22
Total income		<u>60,988</u>	<u>79,557</u>	<u>140,545</u>
Expenditure				
Raising funds	7	(4,394)	-	(4,394)
Charitable activities	8	(19,716)	(33,755)	(53,471)
Total expenditure		<u>(24,110)</u>	<u>(33,755)</u>	<u>(57,865)</u>
Net income		<u>36,878</u>	<u>45,802</u>	<u>82,680</u>
Net movement in funds		36,878	45,802	82,680
Reconciliation of funds				
Total funds brought forward		<u>7,482</u>	<u>8,190</u>	<u>15,672</u>
Total funds carried forward	20	<u>44,360</u>	<u>53,992</u>	<u>98,352</u>

The notes on pages 11 to 24 form an integral part of these financial statements.

Petherton Arts Trust Ltd
(Registration number: 02438900)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	17,004	19,153
Current assets			
Stocks		1,561	1,463
Debtors	15	12,284	6,987
Cash at bank and in hand		<u>71,825</u>	<u>114,754</u>
		85,670	123,204
Creditors: Amounts falling due within one year	16	<u>(41,195)</u>	<u>(16,455)</u>
Net current assets		<u>44,475</u>	<u>106,749</u>
Total assets less current liabilities		61,479	125,902
Creditors: Amounts falling due after more than one year	17	<u>(21,832)</u>	<u>(27,550)</u>
Net assets		<u>39,647</u>	<u>98,352</u>
Funds of the charity:			
Restricted funds		4,915	53,992
Unrestricted funds		<u>34,732</u>	<u>44,360</u>
Total funds	20	<u>39,647</u>	<u>98,352</u>

For the financial year ending 31 March 2022 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.

The financial statements on pages 9 to 24 were approved by the trustees, and authorised for issue on 28 July 2022 and signed on their behalf by:

.....
Christopher Latham
Chairman and Trustee

Petherton Arts Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation. At 31 March 2022 the charity had 7 members.

The address of its registered office is:

The David Hall
Roundwell Street
South Petherton
Somerset
TA13 5AA

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.

Basis of preparation and statement of compliance

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless stated otherwise within these notes. 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Petherton Arts Trust Ltd meets the definition of a public benefit entity under FRS 102.

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

Going concern

To ensure its survival Petherton Arts Trust has to rely upon securing adequate funding while operating at a reduced capacity. At the time of this report the trustees are satisfied that the Charity has been successful in obtaining sufficient funds to ensure its continuance for at least the next 12 months. The trustees therefore consider it appropriate to prepare these accounts on a going concern basis. The uncertainty over the ability to reopen at full capacity due to the Covid-19 pandemic requires the financial position to be kept under constant review and this the trustees have done and will continue to ensure.

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.

Petherton Arts Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

2 Accounting policies (continued)

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.

Theatre Performances

Income received in advance of a theatrical performance is deferred until the criteria for income recognition are met

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.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Irrecoverable VAT

Irrecoverable VAT is charged against the category expenditure for which it was incurred.

Taxation

The charity is a registered charity and is, therefore, exempt from liability to taxation on its income and capital gains, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Tangible fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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:

Asset class	Depreciation method and rate
Freehold property	25 years
Fixtures and fittings	10 years
Computer equipment	4 years

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.

Petherton Arts Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

2 Accounting policies (continued)

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.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees 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

The charity only enters into basic financial instruments that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors together with loans to related parties. Debt instruments, such as trade debtors and creditors, are initially measured at transaction price and subsequently measured at amortised cost.

Financial assets are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

Critical accounting judgements and estimation uncertainty

The preparation of the financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses.

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

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Trustees consider that there are no critical accounting estimates and judgements have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Petherton Arts Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

3 Income from donations

	Unrestricted funds £	Restricted funds £	Total funds £
Donations	5,343	-	5,343
Save the hall	3,454	-	3,454
Helping hands project	-	890	890
Tesco project income	-	1,166	1,166
Gift aid reclaimed	1,240	-	1,240
Covid-19 grants	12,728	-	12,728
Total for 2022	<u>22,765</u>	<u>2,056</u>	<u>24,821</u>
Donations	7,728	-	7,728
Save the hall	2,473	-	2,473
Cultural recovery fund grant	-	51,476	51,476
Helping hands project	-	28,081	28,081
Gift Aid tax reclaimed	743	-	743
Covid-19 grants	20,674	-	20,674
Total for 2021	<u>31,618</u>	<u>79,557</u>	<u>111,175</u>

Petherton Arts Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total funds £
Box office	36,065	-	36,065
Film video	1,484	-	1,484
Total for 2022	<u>37,549</u>	<u>-</u>	<u>37,549</u>
Box office	21,749	-	21,749
Film video	270	-	270
Total for 2021	<u>22,019</u>	<u>-</u>	<u>22,019</u>

5 Income from other trading activities

	Unrestricted funds £	Restricted funds £	Total funds £
Hall hire	3,377	-	3,377
Bar income	14,378	-	14,378
Save the Hall 200 club	2,835	-	2,835
Friends of PAT	1,560	-	1,560
Weddings income	849	-	849
Advertising	1,125	-	1,125
Total for 2022	<u>24,124</u>	<u>-</u>	<u>24,124</u>
Hall hire	1,043	-	1,043
Bar income	1,671	-	1,671
Save the Hall 200 club	2,675	-	2,675
Friends of PAT	1,940	-	1,940
Total for 2021	<u>7,329</u>	<u>-</u>	<u>7,329</u>

6 Investment income

All of the company's investment income of £28 (2021: £22) arises from money held in interest bearing deposit accounts.

Petherton Arts Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

7 Expenditure on raising funds

	Note	Unrestricted funds £	Restricted funds £	Total funds £
Allocated support costs	9	2,900	-	2,900
Total for 2022		<u>2,900</u>	<u>-</u>	<u>2,900</u>
Allocated support costs	9	4,394	-	4,394
Total for 2021		<u>4,394</u>	<u>-</u>	<u>4,394</u>

8 Expenditure on charitable activities

	Note	Unrestricted funds £	Restricted funds £	Total funds £
Costs directly allocated to activities		51,651	5,590	57,241
Allocated support costs	9	33,909	51,177	85,086
Total for 2022		<u>85,560</u>	<u>56,767</u>	<u>142,327</u>
Costs directly allocated to activities		3,088	4,522	7,610
Allocated support costs	9	16,628	29,233	45,861
Total for 2021		<u>19,716</u>	<u>33,755</u>	<u>53,471</u>

Petherton Arts Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

9 Analysis of support costs

Raising funds expenditure

Costs of generating donations and legacies

		Unrestricted funds £	Total 2022 £
	Basis of allocation		
Administrative salaries	Staff time	2,265	2,265
Rates and water	Floor area	20	20
Light and heat	Floor area	49	49
Insurance	Floor area	73	73
Repairs	Floor area	254	254
Cleaning	Floor area	45	45
Printing, stationery, postage and telephone	Usage	186	186
Sundries	Usage	8	8
		<u>2,900</u>	<u>2,900</u>
		<u>2,900</u>	<u>2,900</u>
	Basis of allocation		
Administrative salaries	Staff time	4,118	4,118
Rates and water	Floor area	13	13
Light and heat	Floor area	64	64
Insurance	Floor area	36	36
Repairs	Floor area	83	83
Cleaning	Floor area	23	23
Printing, stationery, postage and telephone	Usage	57	57
		<u>4,394</u>	<u>4,394</u>
		<u>4,394</u>	<u>4,394</u>

Petherton Arts Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

9 Analysis of support costs (continued)

Charitable activities expenditure

		Unrestricted funds £	Restricted funds £	Total 2022 £
	Basis of allocation			
Administrative salaries	Staff time	10,747	6,383	17,130
Rates and water	Floor area	380	100	480
Light and heat	Floor area	931	629	1,560
Insurance	Floor area	1,380	-	1,380
Repairs	Floor area	4,822	40,152	44,974
Cleaning	Floor area	865	721	1,586
Printing, stationery, postage and telephone	Usage	3,532	1,145	4,677
Book-keeping fees	Usage	4,214	-	4,214
Independent examiner's	Direct	2,312	-	2,312
Accountancy services	Usage	971	1,368	2,339
Sundries	Usage	156	-	156
Depreciation	Usage	1,770	380	2,150
Bad debts	Usage	(200)	-	(200)
Interest payable	Usage	845	-	845
Bank charges	Usage	1,184	299	1,483
		<u>33,909</u>	<u>51,177</u>	<u>85,086</u>
		Unrestricted funds £	Restricted funds £	Total 2021 £
	Basis of allocation			
Administrative salaries	Staff time	7,851	13,668	21,519
Rates and water	Floor area	251	-	251
Light and heat	Floor area	1,217	1,005	2,222
Insurance	Floor area	681	718	1,399
Repairs	Floor area	1,568	7,720	9,288
Cleaning	Floor area	437	561	998
Printing, stationery, postage and telephone	Usage	1,057	1,069	2,126
Independent examiner's	Direct	-	3,045	3,045
Accountancy services	Usage	1,185	411	1,596
Sundries	Usage	-	90	90
Depreciation	Usage	1,657	685	2,342
Impairment loss	Usage	100	-	100
Bad debts	Usage	200	-	200
Interest payable	Usage	268	-	268
Bank charges	Usage	156	261	417
		<u>16,628</u>	<u>29,233</u>	<u>45,861</u>

Petherton Arts Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

10 Net income/expenditure

Net (expenditure)/income resources for the year include:

	2022	2021
	£	£
Independent examiner's fees	4,651	3,045
Depreciation	<u>2,149</u>	<u>2,342</u>

11 Trustees remuneration and expenses

Remuneration of £3,314 (2021: £7,050) was paid during the year directly out of the funds of the charity to Anne Brown, a member of the Board of Management, in her role as Treasurer. The charity's Articles of Association have been updated to permit the remuneration of one member of the Board of Management.

Expenses incurred and reimbursed to 5 (2021: 3) Directors of the Board of Management during the year amounted to £810 (2021: £1,393).

12 Staff costs

The aggregate payroll costs were as follows:

	2022	2021
	£	£
Wages and salaries	19,182	25,387
Pension contributions	<u>213</u>	<u>250</u>
	<u>19,395</u>	<u>25,637</u>

The average number of persons employed during the year was 2 (2021: 3).

No employee received emoluments of more than £60,000 during the year (2021: none).

The charity considers its key management personnel to comprise the trustees and administrator. Total remuneration of key management personnel in the year was £15,867 (2021: £21,863).

13 Independent examiner's remuneration

	2022	2021
	£	£
Examination of the financial statements	2,312	3,045
All other assurance services	1,050	-
All other services	<u>1,289</u>	<u>1,596</u>
	<u>4,651</u>	<u>4,641</u>

Petherton Arts Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

14 Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 April 2021	158,577	42,051	5,475	206,103
At 31 March 2022	158,577	42,051	5,475	206,103
Depreciation				
At 1 April 2021	148,070	33,405	5,475	186,950
Charge for the year	656	1,493	-	2,149
At 31 March 2022	148,726	34,898	5,475	189,099
Net book value				
At 31 March 2022	9,851	7,153	-	17,004
At 31 March 2021	10,507	8,646	-	19,153

The David Hall was purchased with grant monies provided by the Foundation for Sport and the Arts and South Somerset District Council.

The cost of freehold property and capital grants in respect thereof is as follows:

	Cost £	Capital Grant £
Acquisition of the David Hall	62,500	62,500
Renovation and Extension of Toilets	17,235	12,631
Balcony Project and Renovation of Toilets	62,432	50,525
Windows Project	16,410	2,000
	<u>158,577</u>	<u>127,656</u>

15 Debtors

	2022 £	2021 £
Trade debtors	148	426
Grants receivable	5,148	5,148
Prepayments	1,818	1,413
Other debtors	5,170	-
	<u>12,284</u>	<u>6,987</u>

Petherton Arts Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

16 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	11,068	-
Third party loans	1,100	1,100
Accruals	5,569	5,404
Deferred income	17,707	6,570
Taxation and social security	-	725
Coronavirus bounceback loan	5,751	2,656
	<u>41,195</u>	<u>16,455</u>

Third party loans are interest-free and do not carry any set date for repayment.

The bank loan was drawn down in October 2020 under the Bounce Back Loan provisions due to the Covid-19 pandemic. The loan, which includes a 12 month interest and capital repayment holiday, carries interest at a fixed rate of 2.5% and is repayable in 60 monthly instalments from November 2021. The loan is repayable by October 2026.

Deferred income represents advance ticket sales for performances taking place after the year end

	2022	2021
	£	£
As at 1 April 2021	6,570	16,877
Amount released to income	(6,570)	(16,877)
Amount deferred in the year	<u>17,707</u>	<u>6,570</u>
As at 31 March 2022	<u>17,707</u>	<u>6,570</u>

17 Creditors: amounts falling due after one year

	2022	2021
	£	£
Coronavirus bounceback loan	<u>21,832</u>	<u>27,550</u>

18 Share capital

The Company is limited by guarantee and does not have share capital. The liability of the members is limited to £10 each.

Petherton Arts Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

19 Contingent liabilities

(a) The Company's freehold property, the David Hall, was purchased in 1992 in part with a grant from the Foundation for Sport and the Arts of £50,000. The Foundation's standard terms and conditions specify that in the event that the Company ceases trading for whatever reason, the Foundation reserves the right to reclaim the full amount of the grant.

(b) On 11 February 1998, the Company received a supplementary grant from South Somerset District Council of £15,500 to clear its accumulated indebtedness and secure its long-term future. The grant is repayable in the event of the David Hall being sold, and is secured by a formal charge over the property.

20 Funds

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Unrestricted funds	44,360	84,466	(88,460)	(5,634)	34,732
Restricted funds					
Thrive	1,000	-	-	-	1,000
Youth Concession	600	-	-	-	600
Poetry Project	281	-	-	-	281
SSDC - 30th Anniversary	84	-	-	-	84
Windows Project	1,280	-	(80)	-	1,200
Boiler Fund	1,800	-	(300)	-	1,500
Helping Hands	28,621	890	(38,134)	8,623	-
Cultural Recovery Fund	20,326	-	(17,337)	(2,989)	-
Tesco Project	-	1,166	(916)	-	250
	<u>53,992</u>	<u>2,056</u>	<u>(56,767)</u>	<u>5,634</u>	<u>4,915</u>
Total funds	<u><u>98,352</u></u>	<u><u>86,522</u></u>	<u><u>(145,227)</u></u>	<u><u>-</u></u>	<u><u>39,647</u></u>

Petherton Arts Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

20 Funds (continued)

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds	7,482	60,988	(24,110)	44,360
Restricted funds				
The BIG Lottery 'Awards for All' Fund	137	-	(137)	-
Thrive	1,000	-	-	1,000
Youth Concession	600	-	-	600
Poetry Project	281	-	-	281
SSDC - 30th Anniversary	84	-	-	84
Windows Project	1,360	-	(80)	1,280
Boiler Fund	2,100	-	(300)	1,800
Helping Hands	2,628	28,081	(2,088)	28,621
Cultural Recovery Fund	-	51,476	(31,150)	20,326
	<u>8,190</u>	<u>79,557</u>	<u>(33,755)</u>	<u>53,992</u>
Total funds	<u>15,672</u>	<u>140,545</u>	<u>(57,865)</u>	<u>98,352</u>

Purpose of Restricted Funds

The BIG Lottery 'Awards for All Fund' was a grant provided to fund the purchase of lower balcony screens, audio visual equipment and a shower for artists. The balance will reduce as the capital expenditure is depreciated.

Thrive Project was a grant provided to fund a Songwriting Project involving Petherton Arts Trust, Folk South West and The Octagon. The project needs to attract greater funding

Youth Concession Project was a grant provided to substitute some family events as applicable in the programme. In addition, links are being made with the local schools to develop a David Hall prize for promising students.

Poetry project: Seed funding to establish Poetry as a regular feature of the David Hall Programme. Some aspects still in the development stage and hoped to encourage workshops in local schools to celebrate National Poetry Day.

SSDC - 30th Anniversary. This grant was initially received for folk music development which never took place. South Somerset District Council agreed that this income could be used to support the 30th Anniversary celebrations of Petherton Arts Trust Limited.

Windows Project was an anonymous donation to fund the replacement of the main windows. The balance will reduce as the capital equipment purchased is depreciated.

The Boiler Fund was set up to replace the old oil fired boiler by an energy efficient gas fired unit. This will reduce the hall operating costs, create more space and enable the removal of some large oil storage tanks. The balance will reduce as the capital equipment purchased is depreciated.

The Helping Hand project is to specifically fund maintenance and repairs to the fabric of the building, this includes the major roof and stonework repairs.

The Arts Council Cultural Recovery Fund issues grants with the aim to provide emergency funding to culturally significant organisations that were financially sustainable before the Covid-19 pandemic.

Petherton Arts Trust Ltd
Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

21 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds at 31 March 2022 £
Tangible fixed assets	14,304	2,700	17,004
Current assets	83,455	2,215	85,670
Current liabilities	(41,195)	-	(41,195)
Long term liabilities	(21,832)	-	(21,832)
Total net assets	34,732	4,915	39,647
	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2021 £
Tangible fixed assets	14,557	4,596	19,153
Current assets	73,808	49,396	123,204
Current liabilities	(16,455)	-	(16,455)
Creditors over 1 year	(27,550)	-	(27,550)
Total net assets	44,360	53,992	98,352

22 Related party transactions

No related party transactions took place during the year (2021: none).