

Charity registration number: 1155513

# The Friends of Crediton Arts Centre

Annual Report and Financial Statements

for the Year Ended 31 December 2018

Wortham Jaques Limited  
Chartered Accountants and Charity Advisers  
130a High Street  
Crediton  
Devon  
EX17 3LQ

# **The Friends of Crediton Arts Centre**

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## **The Friends of Crediton Arts Centre**

### **Reference and Administrative Details**

**Trustees**

Geoff Fox  
Paul Cartwright  
Tom Blaen  
James Cookson  
Yvonne Crone  
Peter Hamilton  
Tim Harris  
Liz Kingdom  
Beth Robson  
Tim Salter

**Principal Office**

Crediton Arts Centre  
East Street  
Crediton  
Devon  
EX17 3AX

**Charity Registration Number**

1155513

**Independent Examiner**

Wortham Jaques Limited  
Chartered Accountants and Charity Advisers  
130a High Street  
Crediton  
Devon  
EX17 3LQ

# **The Friends of Crediton Arts Centre**

## **Trustees' Report**

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2018.

### **Administrative details**

Administrative details are set out on page 1.

### **Governance**

The Friends of Crediton Arts Centre is a Charitable Incorporated Organisation and is governed by its constitution.

### **Recruitment of trustees**

Trustees are appointed in line with clause 13 of the charity's constitution from amongst the members (Friends) of Crediton Arts Centre. All members of the Friends of Crediton Arts Centre are circulated with invitations to nominate trustees prior to the AGM advising them of retiring trustees and requesting nominations for the AGM. When considering nominations, the Arts Centre has regard for any particular skills or experience currently lacking amongst existing trustees.

### **Induction and training policy for trustees**

From Clause 14 of the charity's constitution. "The charity trustees will make available to each new charity trustee, on or before his or her first appointment:

- a) a copy of this constitution and any amendments made to it; and
- b) a copy of the CIO's latest trustees' annual report and statement of accounts."

In addition, all new trustees attend a management committee prior to being confirmed as trustees. They also receive a visit from an existing trustee and a pack of other information, including recent minutes and the current brochure.

### **Organisational structure**

The Friends of Crediton Arts Centre is constituted as a Charitable Incorporated Organisation registered with the Charity Commission. The board of trustees, which can have up to 12 members manages the business of the charity meeting as the management committee, which also includes management committee members (who are not trustees) and the administrator of the charity. The management committee meets monthly and there are sub-committees covering programming, premises, the Friends, business partners, volunteers, and press and publicity. There is also an executive committee (the Chair group) which meets monthly between the management committee. Further details of the organisational structure of the charity are available in the current constitution.

### **Decision making**

Decisions are made in line with Clause 10 of the constitution and the day to day management of the charity is delegated to the administrator. Sub-committees are also delegated decision making powers in their relevant areas by the management committee to which they must report on a monthly basis.

### **Risk statement**

The trustees have a risk management strategy which includes:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks, and

# The Friends of Crediton Arts Centre

## Trustees' Report

- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Recently attention has been focused on fire and health and safety, with systems put in place to manage risks relating to legionella disease and fire procedures.

### Objectives, activities and achievements

*'The objects of the Friends of Crediton Arts Centre are to advance the education of the public in the Arts and particularly, the arts of Dance, Drama, Literature, Music and Visual Arts. In carrying out its objects the Charity shall promote equality of opportunity, and oppose discrimination on the grounds of age, culture, disability, gender, race, religion, sexual orientation or wealth.'*

The trustees have complied with their duty in section 17(5) of the 2011 Charities Act to have due regard to public benefit. Specifically, we believe our objectives and activities fulfil the following 'public benefit' categories listed by the Charity Commission:

- the advancement of education
- the advancement of community development
- the advancement of the arts and culture.

In our general practice, we continue to work towards the advancement of human rights and the promotion of equality and diversity.

We attempt to avoid exclusion by adhering to our equal opportunities policy and by offering concessionary prices for most events at the Centre.

### Review of Activities

The trustees have had regard to the Charity Commission's public benefit guidance.

Every week throughout the year (excepting the second half of July and the whole of August) an average of around 200 people, young and old, come to Crediton Arts Centre's East Street buildings to enjoy a varied programme of classes and events as participants or audience.

In January, 2018, the Centre's actors gave five performances of Hans Christian Andersen's *The Tinder Box*, based on a script by Charles Causley; meanwhile, three storytellers told a selection of Andersen's tales in local primary schools. Over five days of the February half-term, the Youth Theatre prepared and performed (three times) an original musical. There were puppet shows for the very young, a visit from a professional international storyteller (for all ages) who began his career with the Centre, and several visits from professional companies, including a one-man *Great Expectations*, *King Lear* (again performed by a single actor) and a stage production of Michael Morpurgo's novel for young readers, *Out of the Ashes*. A cast of fifteen Arts Centre actors gave four performances of Gogol's *The Government Inspector*.

# The Friends of Crediton Arts Centre

## Trustees' Report

The film group, East Street Films, screened several movies, each with an introduction from one of the group and a post-film discussion. 2017 was not one of the alternating Credfest (Crediton Festival) years, but the Centre nevertheless promoted its strongly attended Food Festival (the 10th edition) in the Town Square in early June, featuring stallholders, local chefs and restaurateurs, The Big Sunday Lunch and free music. Our ever-popular *Busk It* again gave opportunities for local musicians to play up and down the High Street, in and out of shops etc., in return for a modest fee. The banners of local businesses and organisations, created in the Flags Project initiated by the Centre, enlivened the High Street and the Town Square. This year, a new Trustee, Tim Salter, devised an Art Trail; work was displayed in 35 shops and offices, and 30 artists took part in Open Studios in 10 venues. The Centre also contributed to the Switch-On of the Christmas Lights in November, and the Centre had a Christmas Tree in the festival in Holy Cross Church, with the tree decorated with images of various Arts Centre Friends, drawn by members of the Centre's two Portrait Clubs. In another new venture, Arts Centre actors worked with Exeter Quakers to perform a challenging piece of street theatre in the centre of the city on the November Remembrance Anniversary weekend; an extended performance was brought to the Centre in Crediton later that evening, attended by a full house.

Our own fundraising events, as is often the case, drew some of the most crowded houses. There was the latest in our series, *I Like This Stuff*. This time, Anne Jackson, a celebrated tapestry maker, gave an illustrated talk about her work exploring the persecution of witches in Britain and Europe. The Big Christmas Quiz is now a valued fixture in our programme, along with social evenings organised for Friends in September and on New Year's Eve.

Each week in term time, the Centre hosts six classes in the visual arts, as well as classes in Jewellery Silver Smithing and ballet; the Crediton Youth Theatre has two classes for different age groups. In members' homes or at the Lamb Inn in Sandford, two book groups meet around 10 times per year.

In all the activities above, we attempt to avoid exclusion by adhering to our equal opportunities policy and by offering concessionary prices for many events to under-18s, full-time students and the unemployed.

On the practical organisational side, the Centre reluctantly had to accept the departure from the Administrator's post, after nine years, of Rosemary Stephenson, who decided to move on to head up the Town Team. Happily, she has not severed links with the Centre, having become a Trustee and a member of the small group who share the duties of Chairing the Centre's Management Committee. Jack Robson, already a Trustee, brought with him years of experience in different Arts contexts as he replaced Rosemary after a thorough process of recruitment and interviews. The Centre has met its responsibilities in maintaining our existing buildings; with the arrival of a new cleaner, considerable improvements have been made in the cleanliness of the Centre, essential in meeting the requirements and expectations of our varied classes and audiences.

Looking to 2019 and beyond, our resident in-house theatre company, Brown Paper Bag, attracted a cast of 30 as it prepared for January performances of *Under Milk Wood*, guided by a new director with long experience in professional theatre. 2019 will be a Festival year, and the Centre plans to play a full part in that. The Centre is also strongly represented in the developing long-term Heart of Crediton project through Rosemary Stephenson and other Friends who are in the working group. When that project comes to fruition, it will surely enhance the contribution of the many active arts organisations in Crediton and further sustain the life and energy of the town.

### Financial Review

2018 was another busy year for the Arts Centre.

Total income reduced from £72,621 the previous year, to £42,752. This was mainly because Credfest and an overseas trip were not held this year. Unrestricted income reduced slightly by nearly £3k on the Centre's core activities. Overall expenditure reduced in line with the reduction in income totalling £48,022 compared to £74,037 in 2017.

The net result was a small deficit of £5,270 compared with a deficit of £1,416 in 2017.

## **The Friends of Crediton Arts Centre**

### **Trustees' Report**

Room hire remained a key source of earned income and income totalled £10,384, slightly down from £14,157 last year.

Bar sales, another important income source, also reduces slightly from £4,282 to £3,130, although 2017's bar income was unusually high because the Arts Centre ran an outside bar for a Crediton Youth Theatre production last year. This year's results are comparable to normal levels of bar income.

Total box office sales also brought in £8,786 which is a slight increase on 2017 of £8,606.

Overall, the running costs for the Centre and its core operations have been kept in check this year and have only marginally increased.

Following an in-depth review of the Charity's restricted funds the trustees have corrected the treatment of some of the bought forward restricted funds, resulting in around £15k of reserves being released into unrestricted funds this year.

At the year end the charity had total reserves of £42,560 (2017: £47,830), of which £451 were restricted and £42,109 were unrestricted (2017: £13,811 and £34,019 respectively). The trustees are happy that this is a strong position to bring into the following year.

#### **Reserves policy**

The trustees have reviewed the level of resources and are satisfied that funds are adequate and available to meet the needs of the charity. As noted above, the trustees regularly review the charity's strategy for the future and will, as part of this process, develop an appropriate reserves policy.

**On behalf of the whole team a very big and heartfelt thank you for all who make Crediton Arts Centre what it is and for making a real difference to life in Crediton.**

# The Friends of Crediton Arts Centre

## Trustees' Report

### Statement of Trustees' Responsibilities

The trustees 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.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The annual report was approved by the trustees of the charity on 9 October 2019 and signed on its behalf by:

.....  
Geoff Fox  
Trustee

## The Friends of Crediton Arts Centre

### Independent Examiner's Report to the trustees of The Friends of Crediton Arts Centre

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2018 which are set out on pages 8 to 22.

#### Respective responsibilities of trustees and examiner

As the charity's trustees of The Friends of Crediton Arts Centre you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the The Friends of Crediton Arts Centre's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no material 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 Friends of Crediton Arts Centre as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

.....  
Charlotte Gibbs ACA  
Wortham Jaques Limited  
Chartered Accountants and Charity Advisers

130a High Street  
Crediton  
Devon  
EX17 3LQ

Date:.....

## The Friends of Crediton Arts Centre

### Statement of Financial Activities for the Year Ended 31 December 2018

	Note	Unrestricted funds £	Restricted funds £	Total 2018 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	8,027	9,421	17,448
Charitable activities	3	9,269	2,510	11,779
Other trading activities	4	13,514	-	13,514
Investment income	5	11	-	11
Total income		<u>30,821</u>	<u>11,931</u>	<u>42,752</u>
<b>Expenditure on:</b>				
Raising funds	6	(1,760)	-	(1,760)
Charitable activities	7	<u>(36,164)</u>	<u>(10,098)</u>	<u>(46,262)</u>
Total expenditure		<u>(37,924)</u>	<u>(10,098)</u>	<u>(48,022)</u>
Net (expenditure)/income		(7,103)	1,833	(5,270)
Gross transfers between funds		<u>15,193</u>	<u>(15,193)</u>	<u>-</u>
Net movement in funds		8,090	(13,360)	(5,270)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>34,019</u>	<u>13,811</u>	<u>47,830</u>
Total funds carried forward	18	<u>42,109</u>	<u>451</u>	<u>42,560</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2017 £
<b>Income and Endowments from:</b>				
Donations and legacies		9,473	17,187	26,660
Charitable activities		6,785	20,728	27,513
Other trading activities		17,333	1,106	18,439
Investment income	5	9	-	9
Total income		<u>33,600</u>	<u>39,021</u>	<u>72,621</u>
<b>Expenditure on:</b>				
Raising funds		(2,470)	-	(2,470)
Charitable activities		<u>(36,669)</u>	<u>(34,898)</u>	<u>(71,567)</u>
Total expenditure		<u>(39,139)</u>	<u>(34,898)</u>	<u>(74,037)</u>
Net movement in funds		(5,539)	4,123	(1,416)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>39,558</u>	<u>9,688</u>	<u>49,246</u>
Total funds carried forward	18	<u>34,019</u>	<u>13,811</u>	<u>47,830</u>

All of the charity's activities derive from continuing operations during the above two periods.

**The Friends of Crediton Arts Centre**  
**(Registration number: 1155513)**  
**Balance Sheet as at 31 December 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	14	24,935	27,148
<b>Current assets</b>			
Debtors	15	4,580	3,222
Cash at bank and in hand		<u>15,773</u>	<u>20,643</u>
		20,353	23,865
<b>Creditors: Amounts falling due within one year</b>	16	<u>(2,728)</u>	<u>(3,035)</u>
<b>Net current assets</b>		<u>17,625</u>	<u>20,830</u>
<b>Total assets less current liabilities</b>		42,560	47,978
<b>Creditors: Amounts falling due after more than one year</b>	17	<u>-</u>	<u>(148)</u>
<b>Net assets</b>		<u>42,560</u>	<u>47,830</u>
<b>Funds of the charity:</b>			
<b>Restricted funds</b>		451	13,811
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>42,109</u>	<u>34,019</u>
<b>Total funds</b>	18	<u>42,560</u>	<u>47,830</u>

The financial statements on pages 8 to 22 were approved by the trustees, and authorised for issue on 9 October 2019 and signed on their behalf by:

.....  
 Geoff Fox  
 Trustee

.....  
 Paul Cartwright  
 Trustee

# The Friends of Crediton Arts Centre

## Notes to the Financial Statements for the Year Ended 31 December 2018

### 1 Accounting policies

#### Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)) as amended by Update Bulletin 1, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Friends of Crediton Arts Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### Exemption from preparing a cash flow statement

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

#### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

#### Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

#### *Donations and legacies*

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

#### *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.

# The Friends of Crediton Arts Centre

## Notes to the Financial Statements for the Year Ended 31 December 2018

### **Expenditure**

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

### ***Raising funds***

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

### ***Charitable activities***

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

### **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.

### **Governance costs**

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

### **Taxation**

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

### **Tangible fixed assets**

Individual fixed assets costing £100.00 or more are initially recorded at cost.

### **Depreciation and amortisation**

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

<b>Asset class</b>	<b>Depreciation method and rate</b>
Improvements to leasehold property	5% straight line
Office equipment	10% reducing balance
Theatre and other equipment	15% reducing balance

## The Friends of Crediton Arts Centre

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### **Trade debtors**

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

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

#### **Cash and cash equivalents**

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

#### **Trade creditors**

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

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

#### **Fund structure**

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

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

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

#### **Financial instruments**

##### ***Classification***

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

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

## The Friends of Crediton Arts Centre

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### *Recognition and measurement*

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

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

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

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

#### **2 Income from donations and legacies**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2018</b>	<b>Total 2017</b>
	<b>General £</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations and legacies;				
Donations from companies, trusts and similar proceeds	3,100	5,300	8,400	6,450
Donations from individuals	1,400	4,121	5,521	10,655
Gift aid reclaimed	670	-	670	670
Grants, including capital grants;				
Grants from other charities	-	-	-	5,838
Friends' subscriptions	2,857	-	2,857	3,047
	<u>8,027</u>	<u>9,421</u>	<u>17,448</u>	<u>26,660</u>

#### **3 Income from charitable activities**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2018</b>	<b>Total 2017</b>
	<b>General £</b>	<b>£</b>	<b>£</b>	<b>£</b>
Programme of events	8,769	1,000	9,769	24,376
Community projects	500	1,510	2,010	2,587
Membership support	-	-	-	550
	<u>9,269</u>	<u>2,510</u>	<u>11,779</u>	<u>27,513</u>

## The Friends of Crediton Arts Centre

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### 4 Income from other trading activities

	<b>Unrestricted funds</b>	<b>Total</b>	<b>Total</b>
	<b>General</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Trading income;			
Bar sales	3,130	3,130	4,282
Property rental income	10,384	10,384	14,157
	13,514	13,514	18,439
	13,514	13,514	18,439

#### 5 Investment income

	<b>Unrestricted funds</b>	<b>Total</b>	<b>Total</b>
	<b>General</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Interest receivable and similar income;			
Interest receivable on bank deposits	11	11	9
	11	11	9
	11	11	9

#### 6 Expenditure on raising funds

##### a) Costs of trading activities

	<b>Unrestricted funds</b>	<b>Total</b>	<b>Total</b>
	<b>General</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Note</b>		
Costs of goods sold	1,760	1,760	2,470
	1,760	1,760	2,470
	1,760	1,760	2,470

## The Friends of Crediton Arts Centre

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### 7 Expenditure on charitable activities

	Unrestricted funds		Total 2018 £	Total 2017 £
	General £	Restricted funds £		
Programme of events	13,588	582	14,170	31,087
Community projects	12,138	9,516	21,654	29,197
Hire of facilities	2,545	-	2,545	2,836
Membership support	2,545	-	2,545	2,833
	<u>30,816</u>	<u>10,098</u>	<u>40,914</u>	<u>65,953</u>
	Activity undertaken directly £	Activity support costs £	Total 2018 £	Total 2017 £
Programme of events	7,683	6,487	14,170	31,087
Community projects	11,276	10,378	21,654	29,197
Hire of facilities	-	2,595	2,595	2,836
Membership support	-	2,595	2,595	2,833
	<u>18,959</u>	<u>22,055</u>	<u>41,014</u>	<u>65,953</u>

## The Friends of Crediton Arts Centre

### Notes to the Financial Statements for the Year Ended 31 December 2018

£36,163 (2017 - £31,055) of the above expenditure was attributable to unrestricted funds and £10,098 (2017 - £34,898) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £5,248 (2017 - £5,614) which relate directly to charitable activities. See note 8 for further details.

#### 8 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	Staff costs £	Administration costs £	Premises costs including depreciation £	Total 2018 £	Total 2017 £
Programme of events	3,621	1,230	1,636	6,487	7,067
Community projects	5,794	1,968	2,618	10,380	11,368
Hire of facilities	1,448	492	654	2,594	2,836
Membership support	1,448	492	654	2,594	2,833
Governance	2,173	738	982	3,893	-
	14,484	4,920	6,544	25,948	24,104

##### Basis of allocation

Reference	Method of allocation
A	Where support costs cannot be directly apportioned to the activities of the charity they have been split amongst the various areas. As the Administrator is considered the main driver of these costs, they have been split based on the time the Administrator spends on each activity.

##### Governance costs

	Unrestricted funds	Total 2018 £	Total 2017 £
	General £		
Independent examiner fees			
Examination of the financial statements	1,356	1,356	1,360
Depreciation, amortisation and other similar costs	440	440	474
Allocated support costs	2,096	2,096	3,780
	3,892	3,892	5,614

## The Friends of Crediton Arts Centre

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### 9 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2018	2017
	£	£
Depreciation of fixed assets	<u>2,930</u>	<u>3,157</u>

#### 10 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

##### **Peter Hamilton**

£80 (2017: £Nil) of expenses were reimbursed to Peter Hamilton during the year.

##### **Tim Harris**

Tim Harris received remuneration of £Nil (2017: £700) and £194 (2017: £Nil) of expenses were reimbursed to Tim Harris during the year.

As food festival organiser

##### **Beth Robson**

£27 (2017: £Nil) of expenses were reimbursed to Beth Robson during the year.

##### **Jack Robson**

Jack Robson received remuneration of £Nil (2017: £315) during the year.

Technical support

##### **Tim Salter**

£379 (2017: £Nil) of expenses were reimbursed to Tim Salter during the year.

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

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

Donations made by the trustees without any conditions attached totalled £178 for the year (2017 - £Nil).

#### 11 Staff costs

The aggregate payroll costs were as follows:

	2018	2017
	£	£
<b>Staff costs during the year were:</b>		
Wages and salaries	<u>14,485</u>	<u>11,785</u>

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

	2018	2017
	No	No
Administration	<u>1</u>	<u>1</u>

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

## The Friends of Crediton Arts Centre

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### 12 Independent examiner's remuneration

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Examination of the financial statements	<u>1,356</u>	<u>1,360</u>

#### 13 Taxation

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

#### 14 Tangible fixed assets

	<b>Land and buildings</b>	<b>Furniture and equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2018	17,508	22,515	40,023
Additions	<u>-</u>	<u>717</u>	<u>717</u>
At 31 December 2018	<u>17,508</u>	<u>23,232</u>	<u>40,740</u>
<b>Depreciation</b>			
At 1 January 2018	3,500	9,375	12,875
Charge for the year	<u>875</u>	<u>2,055</u>	<u>2,930</u>
At 31 December 2018	<u>4,375</u>	<u>11,430</u>	<u>15,805</u>
<b>Net book value</b>			
At 31 December 2018	<u>13,133</u>	<u>11,802</u>	<u>24,935</u>
At 31 December 2017	<u>14,008</u>	<u>13,140</u>	<u>27,148</u>

Included within the net book value of land and buildings above is £Nil (2017 - £Nil) in respect of freehold land and buildings and £13,133 (2017 - £14,008) in respect of leaseholds.

#### 15 Debtors

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade debtors	2,249	890
Prepayments	1,661	1,662
Accrued income	<u>670</u>	<u>670</u>
	<u>4,580</u>	<u>3,222</u>

## The Friends of Crediton Arts Centre

### Notes to the Financial Statements for the Year Ended 31 December 2018

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

	2018 £	2017 £
Trade creditors	816	1,271
Other taxation and social security	147	-
Accruals	1,765	1,764
	<u>2,728</u>	<u>3,035</u>

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

	2018 £	2017 £
Other creditors	<u>-</u>	<u>148</u>

## The Friends of Crediton Arts Centre

### Notes to the Financial Statements for the Year Ended 31 December 2018

18 Funds	Balance at 1 January 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2018 £
<b>Unrestricted funds</b>					
<i>General</i>					
General funds	6,871	30,821	(37,924)	17,386	17,154
<i>Designated</i>					
Fixed asset depreciation	27,148	-	-	(2,193)	24,955
<b>Total unrestricted funds</b>	<u>34,019</u>	<u>30,821</u>	<u>(37,924)</u>	<u>15,193</u>	<u>42,109</u>
<b>Restricted funds</b>					
Music Market	245	800	(730)	(315)	-
Crediton Food Festival	4,288	8,381	(7,446)	(5,223)	-
Christmas in Crediton	349	1,100	(850)	(599)	-
Marching Band	1,345	-	-	(1,345)	-
Primary School project	42	-	-	(42)	-
Lighting Board	-	1,000	-	(717)	283
Shakespeare 2016	2,592	-	-	(2,592)	-
Armistice 2018	-	650	(490)	(160)	-
Trip to Vienna	2,911	-	-	(2,911)	-
Staging	750	-	(582)	-	168
Hopping Mad	1,289	-	-	(1,289)	-
<b>Total restricted funds</b>	<u>13,811</u>	<u>11,931</u>	<u>(10,098)</u>	<u>(15,193)</u>	<u>451</u>
<b>Total funds</b>	<u>47,830</u>	<u>42,752</u>	<u>(48,022)</u>	<u>-</u>	<u>42,560</u>

## The Friends of Crediton Arts Centre

### Notes to the Financial Statements for the Year Ended 31 December 2018

	Balance at 1 January 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2017 £
<b>Unrestricted funds</b>					
<i>Unrestricted general funds</i>					
General funds	9,251	33,600	(39,139)	3,159	6,871
<i>Unrestricted designated funds</i>					
Fixed asset depreciation	30,307	-	-	(3,159)	27,148
<b>Total unrestricted funds</b>	<u>39,558</u>	<u>33,600</u>	<u>(39,139)</u>	<u>-</u>	<u>34,019</u>
<b>Restricted funds</b>					
Music Market	88	972	(815)	-	245
Crediton Food Festival	2,893	8,335	(6,940)	-	4,288
Christmas in Crediton	504	976	(1,131)	-	349
Marching Band	1,345	-	-	-	1,345
Primary School project	42	-	-	-	42
Shakespeare 2016	2,592	-	-	-	2,592
Trip to Vienna	2,224	17,737	(17,050)	-	2,911
Staging	-	750	-	-	750
Hopping Mad	-	10,251	(8,962)	-	1,289
<b>Total restricted funds</b>	<u>9,688</u>	<u>39,021</u>	<u>(34,898)</u>	<u>-</u>	<u>13,811</u>
<b>Total funds</b>	<u><u>49,246</u></u>	<u><u>72,621</u></u>	<u><u>(74,037)</u></u>	<u><u>-</u></u>	<u><u>47,830</u></u>

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

The fixed asset depreciation fund was set up by the trustees to absorb future depreciation on fixed assets.

The restricted funds represent income and expenditure relating to the specific activities shown, where the use of the income has been specified by the donors.

The transfer from restricted funds to unrestricted funds totalling represents:

- a) The 10% management fee of Food Festival income totalling £838 as agreed to cover Arts Centre costs; and
- b) The £100 management fee charged to Christmas in Crediton, as agreed with the grantmakers.

The remaining £14,255 transferred to unrestricted funds in the result of an in-depth review into the remaining restricted balances of old projects.

£2,911 has been transferred from the Trip to Vienna fund as this represents admin fees charged by the Arts Centre, agreed with the participators but not transferred across in previous years.

The remaining £11,344 represents either:

- a) Underspends on grant funded projects. For every project for which this is the case, the grant awarding body has been contacted and has approved the removal of the restriction on the remaining amounts; or
- b) The correction of unrestricted income received which were incorrectly treated as restricted when the income was recognised.

## The Friends of Crediton Arts Centre

### Notes to the Financial Statements for the Year Ended 31 December 2018

#### 19 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds
	General £	Designated £	£	£
Tangible fixed assets	-	24,935	-	24,935
Current assets	19,902	-	451	20,353
Current liabilities	<u>(2,728)</u>	<u>-</u>	<u>-</u>	<u>(2,728)</u>
Total net assets	<u>17,174</u>	<u>24,935</u>	<u>451</u>	<u>42,560</u>

	Unrestricted funds			Total funds at 31 December 2017
	General £	Designated £	Restricted funds £	£
Tangible fixed assets	-	27,148	-	27,148
Current assets	10,054	-	13,811	23,865
Current liabilities	<u>(3,035)</u>	<u>-</u>	<u>-</u>	<u>(3,035)</u>
Total net assets	<u>7,019</u>	<u>27,148</u>	<u>13,811</u>	<u>47,978</u>

#### 20 Related party transactions

There were no related party transactions in the year.