

Charity registration number: 1155513

The Friends of CREDITON Arts Centre

Annual Report and Financial Statements

for the Year Ended 31 December 2021

The Friends of Crediton Arts Centre

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The Friends of Crediton Arts Centre

Reference and Administrative Details

Trustees

Geoff Fox, Chair
Paul Cartwright, Treasurer
Tom Blaen
Glen Chudley
James Cookson
Yvonne Crone
Peter Hamilton
Tim Harris, Secretary
John Ingham
Liz Kingdom
Beth Robson
Tim Salter
Rosemary Stephenson

Charity Registration Number

1155513

Principal Office

Crediton Arts Centre
East Street
Crediton
Devon
EX17 3AX

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 2021.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Geoff Fox, Chair
	Paul Cartwright, Treasurer
	Tom Blaen
	Glen Chudley
	James Cookson
	Yvonne Crone
	Peter Hamilton
	Tim Harris, Secretary
	John Ingham (appointed 16 February 2022)
	Liz Kingdom
	Beth Robson
	Tim Salter
	Rosemary Stephenson

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.

The Friends of Crediton Arts Centre

Trustees' Report (continued)

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 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.

The Friends of Crediton Arts Centre

Trustees' Report (continued)

Review of Activities

The Arts Centre's activities in 2021 were inevitably shaped to some degree by the Covid pandemic and its consequent guidelines, restrictions and financial measures. We began the year with the Centre's administrator, Jack Robson, working severely reduced hours and our caretaker and cleaner on furlough. Until September, meetings of the Chairs and the Management Committees were all conducted on Zoom. However, our outdoor activities (in the Town Square and beyond) had already been very evident in the community – so much so that the October Management Committee Minutes note, “the public profile of the Centre has never been so high”. More of that in due course.

The Arts Centre has always drawn strength from its shared efforts, but that does not diminish its sharp awareness of the loss of individuals. This year, Petrina Brealy, a memorable and skilled performer in so many plays and the most kind and gracious of friends, came to the end of her years-long struggle with breast cancer. She had been looking forward to performing in our touring production of *Merry Wives*, but the illness fatally returned as rehearsals were about to start. The Centre marked her passing with a reflective event at our East Street buildings; in 2022 a mural, paid for largely by a bequest from Petrina, will welcome visitors coming in through the front gates.

We also lost Mike Boston, whose inimitable contribution was simply to be himself – a veritable explosion of energy, love, positivity and humour. For many years, Mike was bar manager and licensee. The bar has always been one of our strongest streams of income.

Peter Hamilton, the founding Artistic Director of the Centre, received a terminal diagnosis during the year. His unstoppable determination has been at the core of so much of the Centre's life – he directed ten or more major productions (mostly Shakespeare) in the Town Square, shows at the Centre, got through tireless and imaginative committee work, and went out frequently to work in local schools and villages. In the event, Peter was to resist that diagnosis into the Autumn of 2022, but I mention his illness in this report because it prompted members of the Centre to organise, in September 2021, a ‘Lifetime Achievement Award’ event for him, held in the courtyard outside the Centre. 70 people attended, with more than 30 contributions echoing Peter's productions down the years. There were pupils from his days on the staff of the local secondary school in the 1970s as well as many members of the 100+ strong cast of the 1983 Community Play, *Today of All Days*, which triggered so much of what has happened since. To no-one's surprise, Peter helped to plan the event himself and, despite arriving in a wheelchair, he contributed his own memories to what was an unforgettable afternoon.

Peter has also not stopped writing, and one of his short pieces of theatre based on the Eastern European tale, *Baba Yaga*, appeared in a stage version on the Town Square in what has become a major project led by Jack Robson, the ‘Share in the Square’ events which take place on most Friday and Saturday lunchtimes from April through to September. These have been a very welcome replacement in the town for events which would otherwise have been sited indoors and are now led by the Centre working in collaboration with the Town Team (some members of the Team are also Arts Centre committee members) and the Town Council. The programme is varied – musicians, short dramas, visits by desperate-to-work professional theatre companies etc. This year, The Last Baguette Theatre Company visited, along with Bash Street Theatre. The Town Band and the Crediton Operatic and Dramatic Society performed. All this has meant a heavy load for Jack Robson, which he carries without complaint – but we feel very fortunate that he has been there.

In the Spring and early Summer, Jack took on another new venture – a touring production of *The Merry Wives of Windsor*, with actors drawn from the Arts Centre and the in-house company, The Brown Paper Bag Theatre Company. Three outdoor performances were staged in a public park in the centre of the town, while four further shows were given in local villages. Despite the sometimes variable weather, audiences were often keen to thank Jack and the cast for bringing them the first live theatre they had seen for many months. We also were glad to see the Crediton Youth Theatre organise one of their ‘A Play in a Week’ projects, which resulted in three enjoyable performances of ‘The Snatchers’ in the church car park to strong audiences.

The Friends of Crediton Arts Centre

Trustees' Report (continued)

Back at the Centre in the Autumn, some of our old classes (and some new) have opened up again, while others have been lost. Members have sometimes been cautious about returning. We staged some events for adults and some for children. Like other organisations, we have found that people are still wary of crowded indoor spaces and to a degree we have felt it necessary to limit seating to ensure some distance between seats.

However, our enterprising and energetic Publicity Committee has now begun to leaflet (door to door) on some of the estates of new housing on the edge of town. They also regularly distribute information at the twice-monthly Farmers' Markets in the Square.

Alongside our classes, our two book clubs continued by Zoom and Beth Robson, another member of the Management Committee, took the opportunity of the fallow period at the Centre to begin a long-running 'Brighten Up' project, not only improving equipment, refurbishing the toilets etc, but also enhancing features such as enabling an uninteresting blank wall to be covered by a 'star curtain', available to provide a setting for live performances. At Christmas, Beth was responsible again for the preparation and decoration of the Centre's Christmas Tree in the display in the parish church, while Jack was in charge of all the technical demands required by the strongly attended Christmas in Crediton event in the Town Square.

Out in the town again, we repeated our regular and popular 'Busk It!' event, with musicians playing up and down the High Street and Town Square, and also our Art Trail, giving visual artists opportunities to display their work. Back at the Centre, James Cookson is establishing occasional evenings he calls 'Live Lounge' which we all hope will lead to Friends dropping in for a drink and a chat for as long as they wish while live music plays.

So, all in all, although our programme has asked much of several individuals, the trustees feel the Centre has done its best to provide for the community and our Friends, and to enhance our reputation in the process. We continued to keep a watchful eye open for funding throughout these difficult circumstances, and look forward to the future with a combination of caution and confidence.

We can confirm that in all the activities above, we attempted to avoid exclusion by adhering to our equal opportunities policy in every respect.

Financial Review

Total income increased this year to £50,773 from the previous year of £42,752. Unrestricted income increased by just over £2.5k on the Centre's core activities. Overall expenditure increased by nearly £12k, which is expected as the previous year was minimal expenditure during closures. Expenditure totalled £46,060 compared to £34,128 in 2020.

The net result was a surplus of £4,693 compared with £15,335 in 2021.

At the year end the charity had total reserves of £60,045 (2020: £55,352), of which £3,228 were restricted and £56,817 were unrestricted (2020: £6,959 and £48,393 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 (continued)

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 Charities (Accounts and Reports) Regulations 2008, 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 charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 31 October 2022 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 trustees on my examination of the accounts of The Friends of Crediton Arts Centre for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity 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 Chapman Gibbs BFP ACA
Wortham Jaques Limited
Chartered Accountants and Charity Advisers

130a High Street
Crediton
Devon
EX17 3LQ

31 October 2022

The Friends of Crediton Arts Centre

Statement of Financial Activities for the Year Ended 31 December 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	2	33,767	3,913	37,680
Charitable activities	3	5,571	4,600	10,171
Other trading activities	4	2,919	-	2,919
Investment income	5	3	-	3
Total income		<u>42,260</u>	<u>8,513</u>	<u>50,773</u>
Expenditure on:				
Raising funds	6	(3,504)	-	(3,504)
Charitable activities	7	<u>(30,776)</u>	<u>(11,800)</u>	<u>(42,576)</u>
Total expenditure		<u>(34,280)</u>	<u>(11,800)</u>	<u>(46,080)</u>
Net income/(expenditure)		7,980	(3,287)	4,693
Gross transfers between funds		<u>444</u>	<u>(444)</u>	<u>-</u>
Net movement in funds		8,424	(3,731)	4,693
Reconciliation of funds				
Total funds brought forward		<u>48,393</u>	<u>6,959</u>	<u>55,352</u>
Total funds carried forward	20	<u><u>56,817</u></u>	<u><u>3,228</u></u>	<u><u>60,045</u></u>

The notes on pages 11 to 25 form an integral part of these financial statements.

The Friends of Crediton Arts Centre

Statement of Financial Activities for the Year Ended 31 December 2021 (continued)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	2	31,370	1,775	33,145
Charitable activities	3	4,773	7,950	12,723
Other trading activities	4	3,580	-	3,580
Investment income	5	15	-	15
Total income		<u>39,738</u>	<u>9,725</u>	<u>49,463</u>
Expenditure on:				
Raising funds		(742)	-	(742)
Charitable activities	7	<u>(28,525)</u>	<u>(4,861)</u>	<u>(33,386)</u>
Total expenditure		<u>(29,267)</u>	<u>(4,861)</u>	<u>(34,128)</u>
Net income		<u>10,471</u>	<u>4,864</u>	<u>15,335</u>
Net movement in funds		10,471	4,864	15,335
Reconciliation of funds				
Total funds brought forward		<u>37,922</u>	<u>2,095</u>	<u>40,017</u>
Total funds carried forward	20	<u><u>48,393</u></u>	<u><u>6,959</u></u>	<u><u>55,352</u></u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2020 is shown in note 20.

The Friends of Crediton Arts Centre
(Registration number: 1155513)
Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	16	20,638	19,948
Current assets			
Debtors	17	2,977	1,975
Cash at bank and in hand	18	<u>38,116</u>	<u>36,775</u>
		41,093	38,750
Creditors: Amounts falling due within one year	19	<u>(1,688)</u>	<u>(3,346)</u>
Net current assets		<u>39,405</u>	<u>35,404</u>
Net assets		<u><u>60,043</u></u>	<u><u>55,352</u></u>
Funds of the charity:			
Restricted income funds			
Restricted funds		3,228	6,959
Unrestricted income funds			
Unrestricted funds		<u>56,815</u>	<u>48,393</u>
Total funds	20	<u><u>60,043</u></u>	<u><u>55,352</u></u>

The financial statements on pages 8 to 25 were approved by the trustees, and authorised for issue on 31 October 2022 and signed on their behalf by:

The Friends of Crediton Arts Centre

Notes to the Financial Statements for the Year Ended 31 December 2021

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom 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.

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.

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.

The Friends of Crediton Arts Centre

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

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.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

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 meetings and reimbursed expenses.

Government grants

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

Taxation

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

Tangible fixed assets

Individual fixed assets costing £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:

Asset class	Depreciation method and rate
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 2021 (continued)

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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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.

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.

The Friends of Crediton Arts Centre

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

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.

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.

The Friends of Crediton Arts Centre

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

The Friends of Crediton Arts Centre

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Derivative financial instruments

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

Fair value measurement

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

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Donations from companies, trusts and similar proceeds	2,100	-	2,100
Donations from individuals	2,008	3,913	5,921
Gift aid reclaimed	1,474	-	1,474
Grants, including capital grants;			
Government grants	24,670	-	24,670
Friends' subscriptions	3,515	-	3,515
Total for 2021	33,767	3,913	37,680
Total for 2020	31,370	1,775	33,145

3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total funds £
Programme of events	5,571	-	5,571
Community projects	-	4,600	4,600
Total for 2021	5,571	4,600	10,171
Total for 2020	4,773	7,950	12,723

The Friends of Crediton Arts Centre

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

4 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income;		
Bar sales	438	438
Property rental income	2,481	2,481
Total for 2021	2,919	2,919
Total for 2020	3,580	3,580

5 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	3	3
Total for 2021	3	3
Total for 2020	15	15

6 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Costs of goods sold		960	960
Staff costs		1,733	1,733
Other direct costs of activities for generating funds		150	150
Allocated support costs		661	661
Total for 2021		3,504	3,504
Total for 2020		742	742

The Friends of Crediton Arts Centre

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Programme of events		3,410	5,800	9,210
Community projects		4,378	5,540	9,918
Depreciation, amortisation and other similar costs		1,952	-	1,952
Grant funding of activities		-	460	460
Staff costs		15,600	-	15,600
Allocated support costs		2,980	-	2,980
Governance costs		2,456	-	2,456
Total for 2021		30,776	11,800	42,576
Total for 2020		28,525	4,861	33,386

	Activity undertaken directly £	Grant funding of activity £	Activity support costs £	Total expenditure £
Programme of events	9,210	-	5,986	15,196
Community projects	9,918	-	9,577	19,495
Grantmaking	-	460	-	460
Membership support	-	-	2,394	2,394
Governance	1,440	-	3,591	5,031
Total for 2021	20,568	460	21,548	42,576
Total for 2020	12,377	-	21,009	33,386

The Friends of Crediton Arts Centre

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

8 Analysis of governance and support costs

Support costs allocated to charitable activities

	Basis of allocation	Staff costs £	Administration costs £	Premises costs including depreciation £	Other support costs £	Total funds £
Programme of events	A	4,333	259	745	651	5,988
Community projects	A	6,933	414	1,188	1,041	9,576
Membership support	A	1,733	103	297	260	2,393
Governance	A	2,600	155	446	390	3,591
Total for 2021		<u>15,599</u>	<u>931</u>	<u>2,676</u>	<u>2,342</u>	<u>21,548</u>
Total for 2020		<u>14,755</u>	<u>1,195</u>	<u>2,933</u>	<u>2,126</u>	<u>21,009</u>

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.

The Friends of Crediton Arts Centre

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Governance costs

	Unrestricted funds General £	Total 2021 £
Independent examiner fees		
Examination of the financial statements	1,440	1,440
Allocated support costs	1,016	1,016
	2,456	2,456
	Unrestricted funds General £	Total 2020 £
Independent examiner fees		
Examination of the financial statements	1,286	1,286
Allocated support costs	3,502	3,502
	4,788	4,788

9 Government grants

Coronavirus Job Retention Scheme

The amount of grants recognised in the financial statements was £24,670 (2020 - £8,091).

10 Grant-making

Analysis of grants

	Grants to individuals 2021 £
Analysis	
Pete Mason Music Fund	460

The support costs associated with grant-making are £Nil (31 December 2020 - £Nil).

11 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Depreciation of fixed assets	2,603	2,363

The Friends of Crediton Arts Centre

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

12 Trustees remuneration and expenses

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

James Cookson

James Cookson received remuneration of £Nil (2020: £250) during the year.

Professional fees

Beth Robson

Beth Robson received remuneration of £Nil (2020: £30) during the year.

Professional fees

Peter Hamilton

Peter Hamilton received remuneration of £Nil (2020: £700) and £Nil (2020: £51) of expenses were reimbursed to Peter Hamilton during the year.

Professional fees

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 £497 for the year (2020 - £371).

13 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	<u>17,333</u>	<u>16,395</u>

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

	2021 No	2020 No
Administration	<u>1</u>	<u>1</u>

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

14 Independent examiner's remuneration

	2021 £	2020 £
Examination of the financial statements	<u>1,440</u>	<u>1,286</u>

The Friends of Crediton Arts Centre

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

15 Taxation

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

16 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2021	17,508	23,232	40,740
Additions	-	3,293	3,293
At 31 December 2021	17,508	26,525	44,033
Depreciation			
At 1 January 2021	6,125	14,667	20,792
Charge for the year	875	1,728	2,603
At 31 December 2021	7,000	16,395	23,395
Net book value			
At 31 December 2021	10,508	10,130	20,638
At 31 December 2020	11,383	8,565	19,948

Included within the net book value of land and buildings above is £Nil (2020 - £Nil) in respect of freehold land and buildings and £10,508 (2020 - £11,383) in respect of leaseholds.

17 Debtors

	2021 £	2020 £
Trade debtors	1,243	-
Prepayments	261	250
Accrued income	1,473	1,725
	2,977	1,975

18 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	38,116	36,775

The Friends of Crediton Arts Centre

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

19 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	254	130
Other taxation and social security	-	504
Accruals	1,434	2,712
	1,688	3,346

20 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2021 £
Unrestricted funds					
<i>General</i>					
General Funds	28,445	42,225	(30,858)	(246)	39,566
<i>Designated</i>					
Fixed asset depreciation	19,948	-	-	690	20,638
Total unrestricted funds	48,393	42,225	(30,858)	444	60,204
Restricted funds					
Productions	3,800	2,000	(5,800)	-	-
Cinema sound project	444	-	-	(444)	-
Mural	-	1,000	-	-	1,000
Busk It!	790	800	(1,590)	-	-
Share in the Square	150	3,800	(3,950)	-	-
Pete Mason Music Fund	1,775	913	(460)	-	2,228
	6,959	8,513	(11,800)	(444)	3,228
Total funds	55,352	50,738	(42,658)	-	63,432

The Friends of Crediton Arts Centre

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2020 £
Unrestricted funds					
<i>General</i>					
General Funds	15,611	39,738	(29,267)	2,363	28,445
<i>Designated</i>					
Fixed asset depreciation	22,311	-	-	(2,363)	19,948
Total unrestricted funds	<u>37,922</u>	<u>39,738</u>	<u>(29,267)</u>	<u>-</u>	<u>48,393</u>
Restricted funds					
Productions	1,200	5,650	(3,050)	-	3,800
Staging	168	-	(168)	-	-
Cinema sound project	444	-	-	-	444
Lighting board	283	-	(283)	-	-
Busk It!	-	1,800	(1,010)	-	790
Share in the Square	-	500	(350)	-	150
Pete Mason Music Fund	-	1,775	-	-	1,775
	<u>2,095</u>	<u>9,725</u>	<u>(4,861)</u>	<u>-</u>	<u>6,959</u>
Total funds	<u><u>40,017</u></u>	<u><u>49,463</u></u>	<u><u>(34,128)</u></u>	<u><u>-</u></u>	<u><u>55,352</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.

21 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds at 31 December 2020 £
	General £	Designated £	£	£
Tangible fixed assets	-	19,948	-	19,948
Current assets	31,792	-	6,959	38,751
Current liabilities	(3,346)	-	-	(3,346)
Total net assets	<u>28,446</u>	<u>19,948</u>	<u>6,959</u>	<u>55,353</u>

The Friends of Crediton Arts Centre

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

22 Analysis of net funds

	At 1 January 2021 £	Financing cash flows £	At 31 December 2021 £
Cash at bank and in hand	<u>36,775</u>	<u>1,341</u>	<u>38,116</u>
Net debt	<u>36,775</u>	<u>1,341</u>	<u>38,116</u>

The Friends of Crediton Arts Centre

Statement of Financial Activities by fund for the Year Ended 31 December 2021

	Total Unrestricted Funds 2021 £	Total Unrestricted Funds 2020 £
Income and Endowments from:		
Donations and legacies	33,767	31,370
Charitable activities	5,571	4,773
Other trading activities	2,919	3,580
Investment income	3	15
Total income	42,260	39,738
Expenditure on:		
Raising funds	(3,504)	(742)
Charitable activities	(30,776)	(28,525)
Total expenditure	(34,280)	(29,267)
Net income	7,980	10,471
Gross transfers between funds	444	-
Net movement in funds	8,424	10,471
Reconciliation of funds		
Total funds brought forward	48,393	37,922
Total funds carried forward	56,817	48,393

The Friends of Crediton Arts Centre

**Statement of Financial Activities by fund for the Year Ended 31 December 2021
(continued)**

	Total Restricted Funds 2021 £	Total Restricted Funds 2020 £
Income and Endowments from:		
Donations and legacies	3,913	1,775
Charitable activities	<u>4,600</u>	<u>7,950</u>
Total income	<u>8,513</u>	<u>9,725</u>
Expenditure on:		
Charitable activities	<u>(11,800)</u>	<u>(4,861)</u>
Total expenditure	<u>(11,800)</u>	<u>(4,861)</u>
Net (expenditure)/income	(3,287)	4,864
Gross transfers between funds	<u>(444)</u>	<u>-</u>
Net movement in funds	(3,731)	4,864
Reconciliation of funds		
Total funds brought forward	<u>6,959</u>	<u>2,095</u>
Total funds carried forward	<u><u>3,228</u></u>	<u><u>6,959</u></u>

The Friends of Crediton Arts Centre

Detailed Statement of Financial Activities for the Year Ended 31 December 2021

	Total 2021 £	Total 2020 £
Income and Endowments from:		
Donations and legacies (analysed below)	37,680	33,145
Charitable activities (analysed below)	10,171	12,723
Other trading activities (analysed below)	2,919	3,580
Investment income (analysed below)	<u>3</u>	<u>15</u>
Total income	<u>50,773</u>	<u>49,463</u>
Expenditure on:		
Raising funds (analysed below)	(3,504)	(742)
Charitable activities (analysed below)	<u>(42,576)</u>	<u>(33,386)</u>
Total expenditure	<u>(46,080)</u>	<u>(34,128)</u>
Net income	<u>4,693</u>	<u>15,335</u>
Net movement in funds	4,693	15,335
Reconciliation of funds		
Total funds brought forward	<u>55,352</u>	<u>40,017</u>
Total funds carried forward	<u><u>60,045</u></u>	<u><u>55,352</u></u>

The Friends of Crediton Arts Centre

Detailed Statement of Financial Activities for the Year Ended 31 December 2021 (continued)

	Total 2021 £	Total 2020 £
<i>Donations and legacies</i>		
Appeals and donations	2,000	-
Appeals and donations	913	1,775
Appeals and donations	1,000	-
Appeals and donations	2,008	3,788
Gift Aid tax reclaimed	1,474	1,007
UK Government grants	6,439	8,091
Grants - other agencies	18,231	14,034
Subscriptions	3,515	2,850
Advertising and sponsorship	2,100	1,600
	37,680	33,145
<i>Charitable activities</i>		
Grants - other agencies	-	3,500
Grants - other agencies	-	150
Grants - other agencies	800	1,800
Grants - other agencies	-	2,000
Grants - other agencies	3,800	500
Grants - other agencies	700	-
Project management fees	1,765	670
Box office and sales	3,106	4,075
Other	-	28
	10,171	12,723
<i>Other trading activities</i>		
Bar sales	438	1,086
Hire of facilities and equipment	2,481	2,494
	2,919	3,580
<i>Investment income</i>		
Interest on cash deposits	3	15
	3	15
<i>Raising funds</i>		
Bar costs	(960)	(742)
Wages and salaries	(1,733)	-
Rent and rates	(93)	-
Light, heat and power	(25)	-
Insurance	(93)	-
Repairs and maintenance	(30)	-
Telephone and fax	(57)	-

This page does not form part of the statutory financial statements.

The Friends of Crediton Arts Centre

Detailed Statement of Financial Activities for the Year Ended 31 December 2021 (continued)

	Total 2021 £	Total 2020 £
Computer software and maintenance costs	(22)	-
Printing, postage and stationery	(15)	-
Sundry expenses	(10)	-
Cleaning	(9)	-
Legal and professional fees	(47)	-
Legal and professional fees	(150)	-
Depreciation of short leasehold property	(87)	-
Depreciation of plant and machinery	(163)	-
Depreciation of office equipment	(10)	-
	(3,504)	(742)
 <i>Charitable activities</i>		
Publicity costs	-	(84)
Publicity, advertising and printing	(1,030)	(819)
Direct costs	(563)	-
Direct costs	(298)	-
Direct costs	(384)	-
Packaging material	(3,650)	-
Packaging material	-	(150)
Packaging material	-	(689)
Packaging material	-	(321)
Professional fees	(1,590)	(1,010)
Packaging material	-	(1,700)
Packaging material	(3,652)	(350)
Professional fees	(911)	(2,705)
Professional fees	(4,378)	-
Materials	(1,576)	-
Materials	-	(13)
Materials	-	(79)
Materials	(1,050)	-
Grants payable - institutions	(360)	-
Grants payable - individuals	(100)	-
Sundry expenses	-	(14)
Sundry expenses	(35)	-
Bad debts written off	-	(330)
Bad debts written off	-	(23)
Wages and salaries	(15,600)	(16,395)
Rent, rates and room hire	(233)	(869)
Rent and rates	(373)	-
Rent and rates	(93)	-

This page does not form part of the statutory financial statements.

The Friends of Crediton Arts Centre

Detailed Statement of Financial Activities for the Year Ended 31 December 2021 (continued)

	Total 2021 £	Total 2020 £
Light, heat and power	(62)	(695)
Light, heat and power	(99)	-
Insurance	(232)	(793)
Insurance	(370)	-
Insurance	(93)	-
Repairs and maintenance	-	(168)
Repairs and maintenance	-	(283)
Repairs and maintenance	(77)	(504)
Repairs and maintenance	(123)	-
Repairs and maintenance	(31)	-
Telephone and internet	(143)	(343)
Telephone and fax	(228)	-
Telephone and fax	(57)	-
Computer software and maintenance costs	(54)	(261)
Computer software and maintenance costs	(87)	-
Computer software and maintenance costs	(21)	-
Printing, postage and stationery	(11)	-
Printing, postage and stationery	(38)	3,201
Printing, postage and stationery	(61)	-
Printing, postage and stationery	(15)	-
Sundry expenses	(24)	(98)
Sundry expenses	(39)	-
Sundry expenses	(9)	-
Cleaning	(22)	(115)
Cleaning	(36)	-
Cleaning	(8)	-
Licences	(117)	(625)
Legal and professional fees	(188)	-
Legal and professional fees	(47)	-
Depreciation of short leasehold property	(219)	(875)
Depreciation of short leasehold property	(350)	-
Depreciation of short leasehold property	(87)	-
Depreciation of plant and machinery	(406)	(1,443)
Depreciation of plant and machinery	(650)	-
Depreciation of plant and machinery	(163)	-
Depreciation of office equipment	(26)	(45)
Depreciation of office equipment	(41)	-
Depreciation of office equipment	(10)	-
Independent examiner's fee	(1,440)	(1,286)
Rent and rates	(140)	-

This page does not form part of the statutory financial statements.

The Friends of Crediton Arts Centre

Detailed Statement of Financial Activities for the Year Ended 31 December 2021 (continued)

	Total 2021 £	Total 2020 £
Light, heat and power	(62)	-
Insurance	(139)	-
Repairs and maintenance	(46)	-
Telephone and fax	(86)	-
Computer software and maintenance costs	(32)	-
Printing, postage and stationery	(23)	(3,502)
Sundry expenses	(14)	-
Cleaning	(13)	-
Legal and professional fees	(71)	-
Depreciation of short leasehold property	(131)	-
Depreciation of plant and machinery	(244)	-
Depreciation of office equipment	(15)	-
	<u>(42,576)</u>	<u>(33,386)</u>