

REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022  
FOR  
THE COURTYARD ARTS AND COMMUNITY CENTRE

Company Number : 03044085

Registered Charity Number :1044469

THE COURTYARD ARTS AND COMMUNITY CENTRE

INDEX TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

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**THE COURTYARD ARTS AND COMMUNITY CENTRE**

**COMPANY INFORMATION**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

<b>TRUSTEES/DIRECTORS :</b>	Mr M. A. Robinson Mrs S.J. Pickup Mrs S. Webb Mrs M Ewer
<b>SECRETARY:</b>	Mr M. A. Robinson
<b>REGISTERED OFFICE:</b>	The Stables Port Vale Hertford Hertfordshire SG14 3AA
<b>REGISTERED NUMBER:</b>	03044085 (England and Wales)
<b>CHARITY NUMBER:</b>	1044469
<b>CHARITY WEBSITE:</b>	<a href="http://www.courtyardarts.org.uk">www.courtyardarts.org.uk</a>
<b>INDEPENDENT EXAMINER:</b>	R.J. Sears FCCA Hentons Stag House Old London Road Hertford, Herts SG13 7LA
<b>BANKERS:</b>	HSBC Bank plc 36 Fore Street Hertford Herts. SG14 1BS

**THE COURTYARD ARTS AND COMMUNITY CENTRE**  
**REPORT OF THE TRUSTEES**

**(For the purposes of part 8 of the Charities Act 2011 and Directors' Report for the purposes of section 417 of the Companies Act 2006)**

**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022**

The Trustees present their annual report and financial statements for the year ended 31<sup>st</sup> March 2022. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the charities Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102) issued in October 2019.

**PRINCIPAL ACTIVITY**

The principal activity of the charitable company as stated in the Memorandum and Articles of Association is the provision, in the interests of social welfare, of the facilities for the study, appreciation of the arts for the inhabitants of Hertford and the surrounding area and the advancement of the education of the general public in the arts.

The Trustees, who are also directors of the company, and acted throughout the period, except where indicated, are:

Mr M. A. Robinson  
Ms J. O'Sullivan (Resigned 13 October 2021)  
Mrs S.R. Pohlinger (Resigned 6 May 2021)  
Mrs S.J. Pickup  
Mrs E. J. Radcliffe (Resigned 15 June 2022)  
Mrs S. Webb (Resigned 10 November 2022)  
Mrs M Ewer (Resigned 14 June 2022)  
Mr J.A. Clark (Appointed 14 October 2021)  
Mrs B.J. Hopkin (Appointed 14 October 2021)  
Ms D Carolan (Appointed 10 November 2022)  
Mr B Cox (Appointed 10 November 2022)  
Ms A Fuller (Appointed 10 November 2022)

**CONSTITUTION**

The Courtyard Arts and Community Centre, company number 3044085, is a company limited by the guarantees of its members to a maximum of £10 each.

**COMPANY INFORMATION**

The company is a registered charity, number 1044469, and as such is a non-profit making organisation with solely charitable objectives. The company gained charitable status on 21<sup>st</sup> August 1995.



## **THE COURTYARD ARTS AND COMMUNITY CENTRE**

### **REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022**  
**(CONTINUED)**

#### **FINANCIAL ACTIVITIES**

As the impact of Covid lockdowns lessened and activity increased, during the year the charity's total income increased to £159,099 (2021: £103,333). The level of expenditure in the year increased to £120,279 (2021: £106,030). Overall, the charity achieved a net surplus of £38,820 (2021: deficit £2,697).

The principal sources of funding for the charity are income from studio rents, rent and sales from exhibitions, charges for classes and grants received towards specific educational projects.

#### **ACHIEVEMENTS AND PERFORMANCE**

Since the turbulent times of last year, Courtyard Arts have gone through a period of rejuvenation and change. Our daily processes are back to normal after the protocols of the Covid-19 guidelines were lifted and the Centre is fully operational again, with all classes resuming, and the Gallery and shop areas open to all. In January 2022, Kate Davies left her role as Centre Director and was replaced by Laura Burns. With troubling financial times ahead for many in our community, Courtyard Arts is committed to keeping the programs it offers as accessible to as many of the local community as possible. We are still looking ahead to develop the Centre and expand our offer, appeal, and financial sustainability.

We manage 2 galleries: at the Centre and at Hanbury Manor. The gallery has hosted high quality exhibitions throughout the year, with visitors not just from the local area but from much further afield too. The Arts Trail was held from the 12th April to the 9th May 2021 in partnership with Hertford Town Council.

We have been able to allocate funds of £26k during the year to undertake a number of improvements which were originally part of the redevelopment plan. We received a legacy of £10,000 during the year, for which we are very grateful.

As ever, we review, test and improve our policies and procedures to ensure that we meet best practice, we are accountable and have sufficiently high levels of governance. Our strategic priorities are: to ensure that we are well run, compliant and effective; to maintain day to day operations; to raise large scale funds; the physical redevelopment of the Centre; to make improvements to the systems and processes; and to enhance member benefits.

**THE COURTYARD ARTS AND COMMUNITY CENTRE**

**REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022**  
**(CONTINUED)**

**ACHIEVEMENTS AND PERFORMANCE - continued**

There are certainly challenges and risks ahead as we adapt to economic instability and cost of living rise over the next year. Despite this, our mission remains to be a launch-pad for all members of the community to achieve their artistic potential. We still have ambitious plans to expand the footprint of the Centre and the scope of our offer and client base. We also believe it is important to retain our friendly and inclusive culture. We are very grateful to the many enthusiastic and talented staff, tutors and volunteers who contribute so much, through thick and thin.

**RESERVES**

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which enables the charity to meet its management and administration costs as they fall due. The Trustees have assessed the level of net current assets required in the form of unrestricted funds to be £10,000. They have therefore set up a Development Fund to hold the balance of the net current assets, amounting to £16,791 at 31 March 2022 (2021: £11,014). The charity also holds a legacy of £10,000 received during the year which is included in designated funds as a Legacy Fund.

**RISK MANAGEMENT**

The trustees are aware of the requirements under SORP 2005 to identify and mitigate major risks faced by the organisation and are adopting appropriate policies to reduce exposure to those risks.

**ASSETS AND OBLIGATIONS**

The net assets of the company are available and adequate to fulfil its obligations.

**INVESTMENT POWERS**

Under the memorandum and articles of association, the charity has the power to make any investments, which the trustees see fit

## **THE COURTYARD ARTS AND COMMUNITY CENTRE**

### **REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022**  
**(CONTINUED)**

#### **ORGANISATION**

The board of trustees, which can have up to 8 members, administers the charity. The board meet monthly and individual trustees are responsible for specific areas i.e. Finance, Development, Marketing and Education. The management/administration team includes the Centre Director and Assistant Director, plus 15 tutors and 45 Volunteers who assist in the day to day operation of the Centre.

#### **APPOINTMENT OF TRUSTEES**

The board has established procedures for recruiting and appointing board members, including the initial identification of potential candidates, informal visits or discussions, consideration by the board and finally election by a majority of votes.

#### **TRUSTEE INDUCTION AND TRAINING**

New trustees undergo induction to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association and the committee and decision making process.

#### **PUBLIC BENEFIT**

In planning the charity's activities for the year the trustees have been mindful of the Charity Commission's guidance on public benefit. In particular, the charity welcomes all people to participate in its activities regardless of personal background, faith, gender or personal circumstances. This includes Outreach in schools, care homes and other settings as well as classes at the centre for specific groups.

#### **POLICIES**

All necessary policies (including those required by law) are in place and reviewed at least annually.

#### **PLANS FOR FUTURE PERIODS**

The charity continues to invest in improvements to its facilities and the trustees are considering a number of further development opportunities, including a major expansion of the existing premises. To date, £32,515 has been expended on professional fees and other charges relating to this possible expansion. Planning permission has been obtained, detailed specifications have been prepared and tenders have been received. During the year, £26,595 was spent on a new boiler, kitchen and other improvements which form part of the planned development.



**THE COURTYARD ARTS AND COMMUNITY CENTRE**

**REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022**  
**(CONTINUED)**

**TRUSTEES RESPONSIBILITIES**

The trustees (who are also directors of The Courtyard Arts & Community Centre for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**



Mr M. A. Robinson – SECRETARY



Date

**THE COURTYARD ARTS AND COMMUNITY CENTRE**  
**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF**  
**THE COURTYARD ARTS AND COMMUNITY CENTRE**

I report to the trustees (who are also Directors for the purpose of company law) on my examination of the financial statements of The Courtyard Arts and Community Centre ('the charitable company') for the year ended 31<sup>st</sup> March 2022 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

**Responsibilities and basis of report**

As the trustees of charitable company you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 ('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 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

THE COURTYARD ARTS AND COMMUNITY CENTRE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE COURTYARD ARTS AND COMMUNITY CENTRE

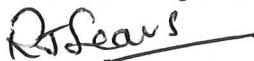
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**Independent examiner's statement**

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:

- accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



R.J. Sears FCCA  
Hentons  
Chartered Accountants  
Stag House  
Old London Road  
Hertford, Herts  
SG13 7LA

Date: 24 MARCH 2023

**THE COURTYARD ARTS AND COMMUNITY CENTRE**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating the Income and Expenditure account)**

**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022**

		Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
INCOME	Notes	£	£	£	£	£
<i>Income from charitable activities:</i>						
Operation of Arts and Community centre:						
Studio Income		111,389	-	-	111,389	38,511
Gallery Income		7,181	-	-	7,181	2,697
Fundraising (net)		8,573	-	-	8,573	(244)
Grants and donations:	2	28,255	-	3,698	31,953	62,362
<i>Investment income:</i>						
Bank interest received:	3	3	-	-	3	7
<b>Total income</b>		<b>155,401</b>	<b>-</b>	<b>3,698</b>	<b>159,099</b>	<b>103,333</b>
<b>EXPENDITURE</b>						
<i>Expenditure on charitable activities:</i>						
Operation of Arts and Community Centre:		116,581	-	3,698	120,279	106,030
<b>Total expenditure</b>	3	<b>116,581</b>	<b>-</b>	<b>3,698</b>	<b>120,279</b>	<b>106,030</b>
<b>Net expenditure for the year</b>		<b>38,820</b>	<b>-</b>	<b>-</b>	<b>38,820</b>	<b>(2,697)</b>
Gross transfers between funds		(14,694)	15,777	(1,083)	-	-
<b>Net movement in funds</b>		<b>24,126</b>	<b>15,777</b>	<b>(1,083)</b>	<b>38,820</b>	<b>(2,697)</b>
<b>Reconciliation of funds:</b>						
Balances brought forward 1 April 2021		42,624	11,014	1,861	55,499	58,196
<b>Balances carried forward as at 31 March 2022</b>		<b>66,750</b>	<b>26,791</b>	<b>778</b>	<b>94,319</b>	<b>55,499</b>

None of the company's activities were acquired or discontinued during the current or previous year.

There are no recognised gains or losses other than the profit or loss that has been presented and dealt with in the statement of financial activities.



# THE COURTYARD ARTS AND COMMUNITY CENTRE

(Company number 3044085, Registered charity number 1044469)

## BALANCE SHEET

AS AT 31<sup>st</sup> MARCH 2022

	Notes	2022		2021	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7		57,528		34,485
<b>CURRENT ASSETS</b>					
Debtors	8	2,156		5,583	
Cash at bank and in hand		<u>66,869</u>		<u>37,452</u>	
		69,025		43,035	
<b>CREDITORS</b> Amounts falling due within one year	9	<u>32,234</u>		<u>22,021</u>	
<b>NET CURRENT ASSETS</b>			36,791		21,014
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>94,319</u>		<u>55,499</u>
<b>RESERVES</b>					
Unrestricted funds			66,750		42,624
Designated Fund	13		26,791		11,014
Restricted funds	14		778		1,861
<b>TOTAL CHARITY FUNDS</b>			<u>94,319</u>		<u>55,499</u>

- (a) For the year ended 31 March 2022, the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
- (b) Members have not required the company to obtain an audit in accordance with section 476.
- (c) The directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

### ON BEHALF OF THE BOARD



Ms S Pickup -Trustee



Mr M Robinson - Trustee

Date: 22.3.23

## THE COURTYARD ARTS AND COMMUNITY CENTRE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparation and assessment of going concern**

The financial statements are prepared under the historical cost convention and are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity constitutes a public charity as defined by FRS 102.

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

No significant judgements have had to be made by management in preparing these financial statements.

##### **Debtors**

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

##### **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk to changes in value.

##### **Creditors and provisions**

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

##### **Financial instruments**

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

##### **Pension costs**

The charity operates a defined contribution pension scheme. Contributions payable to the pension scheme are charged to the Statement of Financial Activities in the period to which they relate

## THE COURTYARD ARTS AND COMMUNITY CENTRE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

#### **1. ACCOUNTING POLICIES- continued**

##### **Expenditure and Irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the loan can be measured reliably. Expenditure on charitable activities include expenditure associated with art exhibitions and educational programs and their associated support costs.

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

##### **Tangible fixed assets**

Individual fixed assets costing £250 or more are capitalised at cost. Any asset acquired for a value of less than £250 will be written off as expenditure in the period in which the expenditure was incurred.

Depreciation is provided, but not in the year of addition, at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures, fittings & equipment	-10% or 25% on cost
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Premises improvements	-2.5% on cost.
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Where improvements have been financed wholly or partly by grants received the net book value of these improvements should be reduced by the amount of the grant receivable. Leasehold improvements are shown in the Balance sheet net of Building grants received. The landlord (EHDC) have agreed in principle to a new 40 year lease which will be finalised once the proposed new development is underway, in line with which the existing leasehold improvements are now being written off over 40 years.

##### **Limited by guarantee**

The company is limited without share capital. In the event of the company being wound up, each member is liable to contribute to the payment of debts and liabilities of the company as may be required, not exceeding £10.

##### **Operating leases**

The charity classifies the lease of its property as an operating lease and the title to the property remains with the lessor. Rental payments under operating leases are charged as expenditure as incurred over the term of the lease.

##### **Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities.



## THE COURTYARD ARTS AND COMMUNITY CENTRE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

#### 1 ACCOUNTING POLICIES - continued

##### Fund Accounting

Funds held by the charity are either:

*Unrestricted general funds*- These are funds, which can be used in accordance with the charitable objectives at the discretion of the Trustees. The Trustees have now set up a Development Fund within the unrestricted general funds.

*Designated funds* – These are unrestricted funds earmarked by the Trustees for particular purposes.

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

##### Income recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance for art classes or provision of other specified service is deferred until the conditions for income recognition are met.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, receipt is expected and it can be measured reliably.

#### 2. SOURCES OF MATERIAL GRANTS AND DONATIONS

	Unrestricted Funds	Restricted Funds	2022	2021
	£	£	£	£
Covid Job Retention Scheme	3,412	-	3,412	29,868
Covid Small Business Grant	12,226	-	12,226	20,241
Herts Community Foundation	-	-	-	3,230
HCC Locality Budget	-	1,300	1,300	1,000
Mind in Mid Herts	-	180	180	1,691
Art Reach Grant	-	500	500	3,000
Herts Year of Culture	-	-	-	300
Waitrose Community Grant	-	333	333	-
Brandles	-	385	385	-
Groundwork	-	500	500	-
Croudace Homes	-	500	500	-
Legacy	10,000	-	10,000	-
Other donations	2,617	-	2,617	3,032
	<u>28,255</u>	<u>3,698</u>	<u>31,953</u>	<u>62,362</u>

**THE COURTYARD ARTS AND COMMUNITY CENTRE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022**

**3. EXPENDITURE ON CHARITABLE ACTIVITIES**

<i>Operation of Arts and Community Centre:</i>	2022	2021
	£	£
<b>Costs directly allocated to activities</b>		
Artists sales and materials	8,544	4,672
Tutor fees	45,251	26,264
Project costs	3,698	4,478
Insurance	2,003	1,446
Depreciation	3,552	3,552
<b>Governance costs</b>		
Administration costs	500	500
Independent examiners fees	3,590	3,310
<b>Support costs allocated to activities</b>		
Rent	5,100	5,050
Rates	764	223
Light and heat	3,261	2,649
Cleaning	1,638	1,189
Repairs and renewals, .	2,955	1,090
Legal and professional	1,847	4,525
Postage, printing, stationery and marketing	11,179	3,646
Telephone & internet	2,606	3,340
Administration costs	23,791	40,096
	<u>120,279</u>	<u>106,030</u>

The total amount of support costs incurred in the period relating to the operation of the Arts and Community Centre amounted to £53,141 (2021: £61,808) and for governance costs were £4,090 (2021: £3,810).

**4. OPERATING SURPLUS/ (DEFICIT)**

	2022	2021
	£	£
The operating surplus/ (deficit) is stated after charging:		
Depreciation – owned assets	3,552	3,552
Independent examiners fees	3,590	3,310
Rentals payable under operating leases	5,100	5,050

## THE COURTYARD ARTS AND COMMUNITY CENTRE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

#### 5. TAXATION

No liability to UK corporation tax arose on ordinary activities for the year ended 31<sup>st</sup> March 2022 nor for the preceding year ended 31<sup>st</sup> March 2021.

The company has a charitable status which exempts it from corporation tax on the income it has received and the company is not registered for VAT purposes.

#### 6. STAFF COSTS

The costs of employing staff which are included within Charitable activities in Note 3 were:

	2022	2021
	£	£
Wages and salaries	22,665	60,470
Social security costs	404	221
Pension contributions	572	2,643
	<u>23,641</u>	<u>63,334</u>

The average monthly number of employees during the year for administration and tutor fees was 8 (in 2021 there were 12). No employee's emoluments exceeded £60,000 during the year.

#### 7. TANGIBLE FIXED ASSETS

	Short Leasehold property & improvements	Fixtures, fittings & equipment	Total
	£	£	£
<b>Cost</b>			
At 1st April 2021	28,821	34,799	63,620
Additions	26,595	-	26,595
At 31 <sup>st</sup> March 2022	<u>55,416</u>	<u>34,799</u>	<u>90,215</u>
<b>Depreciation</b>			
At 1st April 2021	1,440	27,695	29,135
Charge for year	720	2,832	3,552
At 31 <sup>st</sup> March 2022	<u>2,160</u>	<u>30,527</u>	<u>32,687</u>
<b>Net Book Values</b>			
At 31 <sup>st</sup> March 2022	<u>53,256</u>	<u>4,272</u>	<u>57,528</u>
At 31 <sup>st</sup> March 2021	<u>27,381</u>	<u>7,104</u>	<u>34,485</u>

The original cost of the leasehold improvements amounted to £78,821 and a Building grant of £50,000 was received against these costs.

**THE COURTYARD ARTS AND COMMUNITY CENTRE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022**

**8. DEBTORS**

	2022	2021
	£	£
Prepayments	-	1,300
Other debtors	2,156	4,283
	<u>2,156</u>	<u>5,583</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Deferred income (Note 10)	18,209	14,351
Trade creditors	6,226	2,199
Other taxes and social security costs	252	-
Accruals	7,547	5,471
	<u>32,234</u>	<u>22,021</u>

**10. DEFERRED INCOME**

	2022	2021
	£	£
At 1 April 2021	14,351	8,341
Amount released to incoming resources	(14,351)	(8,431)
Amount deferred in the year	18,209	14,351
At 31 March 2022	<u>18,209</u>	<u>14,351</u>

Deferred income relates to income received for class fees and grants in advance.

**11. ULTIMATE CONTROLLING PARTY**

The company has no ultimate controlling party during the current or preceding year.

**12. RELATED PARTY TRANSACTIONS**

During the year, one trustee received tutor fees of £1,025 (2021: one trustee, £2,760). Three trustees received reimbursement of incidental expenses of £389 (2021: one - £131). No trustee received any remuneration in the current or preceding year.



**THE COURTYARD ARTS AND COMMUNITY CENTRE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022**

**13. ANALYSIS OF DESIGNATED FUNDS**

	Balance at 01/04/2021	Incoming Resources	Utilised/ Released	Balance at 31/03/2022
	£	£	£	£
Development Fund	11,014	-	5,777	16,791
Legacy Fund	-	-	10,000	10,000
	<u>11,014</u>	<u>-</u>	<u>15,777</u>	<u>26,791</u>

**ANALYSIS OF DESIGNATED FUNDS – PREVIOUS YEAR**

	Balance at 01/04/2020	Incoming Resources	Utilised/ Released	Balance at 31/03/2021
	£	£	£	£
Development Fund	<u>6,625</u>	<u>-</u>	<u>4,389</u>	<u>11,014</u>

The Development Fund was set up by the Trustees in 2011 to build a fund which can be utilised in future years on opportunities identified by Trustees to expand the charity.

The Legacy Fund relates to a £10,000 legacy received in the year. The Trustees intend to ensure that this sum is spent specifically to enhance and develop the operation of the Centre.

**14. ANALYSIS OF MOVEMENT IN RESTRICTED FUNDS**

	Balance at 01/04/2021	Movement in funds		Balance at 31/03/2022
	£	Incoming Resources £	Utilised/ Released £	£
Pottery and Printing fund	694	-	(694)	-
Kiln fund	1,167	-	(389)	778
Outreach Fund	-	3,698	(3,698)	-
	<u>1,861</u>	<u>3,698</u>	<u>(4,781)</u>	<u>778</u>

**ANALYSIS OF MOVEMENT IN RESTRICTED FUNDS – PREVIOUS YEAR**

	Balance at 01/04/2020	Movement in funds		Balance at 31/03/2021
	£	Incoming Resources £	Utilised/ Released £	£
MAC computer fund 2	304	-	(304)	-
Pottery and Printing fund	1,389	-	(695)	694
Redevelopment fund	3,532	-	(3,532)	-
Kiln fund	1,556	-	(389)	1,167
Outreach Fund	-	9,221	(9,221)	-
	<u>6,781</u>	<u>9,221</u>	<u>(14,141)</u>	<u>1,861</u>

**THE COURTYARD ARTS AND COMMUNITY CENTRE**

**NOTES TO THE FINANCIAL STATEMENTS**  
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**14. ANALYSIS OF MOVEMENT IN RESTRICTED FUNDS - continued**

The Outreach Fund relates to project work undertaken and completed by the charity during the year.

As at 31<sup>st</sup> March 2022 the following restricted funds had not been utilised:

**Kiln Fund**

In a previous year grants and donations were received as a contribution towards the cost of a new kiln and the remaining balance of £778 is available to be offset against future depreciation.

The capital element of grants received will be released to the unrestricted general funds over a time period in line with the depreciation policy of the assets which have been capitalised and will be included within the transfer between funds.

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Tangible Fixed Assets £</b>	<b>Net Current Liabilities £</b>	<b>Cash at Bank £</b>	<b>Total £</b>
Restricted Funds	778	-	-	778
Development Fund	-	-	26,791	26,791
Unrestricted Funds	56,750	(30,078)	40,078	66,750
	<u>57,528</u>	<u>(30,078)</u>	<u>66,869</u>	<u>94,319</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS – PREVIOUS YEAR**

	<b>Tangible Fixed Assets £</b>	<b>Net Current Liabilities £</b>	<b>Cash at Bank £</b>	<b>Total £</b>
Restricted Funds	1,861	-	-	1,861
Development Fund	-	-	11,014	11,014
Unrestricted Funds	32,624	(16,438)	26,438	42,624
	<u>34,485</u>	<u>(16,438)</u>	<u>37,452</u>	<u>55,499</u>

**THE COURTYARD ARTS AND COMMUNITY CENTRE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022**

**16. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
<b>INCOME</b>					
	£	£	£	£	£
<i>Income from charitable activities:</i>					
Operation of Arts and Community centre:					
Studio Income	38,511	-	-	38,511	106,467
Gallery Income	2,697	-	-	2,697	18,336
Fundraising (net)	(244)	-	-	(244)	6,888
Grants and donations:	53,141	-	9,221	62,362	4,200
<i>Investment income:</i>					
Bank interest received:	7	-	-	7	78
<b>Total income</b>	<u>94,112</u>	<u>-</u>	<u>9,221</u>	<u>103,333</u>	<u>135,969</u>
<b>EXPENDITURE</b>					
<i>Expenditure on charitable activities:</i>					
Operation of Arts and Community Centre:	93,277	-	12,753	106,030	142,532
<b>Total expenditure</b>	<u>93,277</u>	<u>-</u>	<u>12,753</u>	<u>106,030</u>	<u>142,532</u>
<b>Net expenditure for the year</b>	835	-	(3,532)	(2,697)	(6,563)
Gross transfers between funds	(3,001)	4,389	(1,388)	-	-
<b>Net movement in funds</b>	<u>(2,166)</u>	<u>4,389</u>	<u>(4,920)</u>	<u>(2,697)</u>	<u>(6,563)</u>
<b>Reconciliation of funds:</b>					
Balances brought forward 1 April 2020	44,790	6,625	6,781	58,196	64,759
<b>Balances carried forward as at 31 March 2021</b>	<u>42,624</u>	<u>11,014</u>	<u>1,861</u>	<u>55,499</u>	<u>58,196</u>