MORVAH ACTION FOR THE COMMUNITY AND ARTS LIMITED

England & Wales · Charity number 1072889

Details

Status	Registered
Legal form	Charitable company
Company number	03646591
Registered	1998-12-10
Register	View on the Charity Commission register

Contact

Address	Morvah Schoolhouse Morvah Pendeen Penzance Cornwall TR20 8YT
Phone	01736787808
Email	info@djreynolds.co.uk
Website	www.morvah.com

Activities

Objects: THE PROVISION AND MAINTENANCE OF A COMMUNITY HALL FOR THE USE OF THE INHABITANTS OF MORVAH AND SURROUNDING PARISHES (THE AREA OF BENEFIT) WITHOUT DISTINCTION OF POLITICAL RELIGIOUS OR OTHER OPINIONS INCLUDING USE FOR MEETINGS LECTURES AND CLASSES AND FOR OTHER FORMS OF RECREATION AND LEISURE TIME OCCUPATION WITH THE OBJECT OF IMPROVING LIFE FOR THE SAID INHABITANTS

Activities: The charity provides a focal point for the community of Morvah and surrounding district. It provides educational and leisure workshops for all ages. We provide concerts, poetry, talks and films. We have strong links to the art and crafts and provide a showcase in the gallery and coffee shop to emerging artists. The schoolhouse is the polling station for Morvah at election times.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Arts/culture/heritage/science, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

Geography

- **Area of benefit:** MORVAH AND SURROUNDING PARISHES
- Cornwall

Finances

Period end	Income	Expenditure	Assets	Employees
2025-01-31	£75,102	£74,092	-	-
2024-01-31	£78,394	£73,498	-	-
2023-01-31	£73,113	£68,260	-	-
2022-01-31	£66,568	£59,469	-	-
2021-01-31	£29,539	£22,118	-	-

Trustees

Name	Role	Appointed
Kate Price		2021-05-15
Nicholas William Smith		2021-04-27
Timothy John Eric Hichens		2023-03-26

MORVAH ACTION FOR THE COMMUNITY AND ARTS LIMITED

England & Wales - Charity number 1072889

Accounts

Morvah Action for the Community and Arts Ltd

(A company limited by guarantee)

Charity Registration Number: 1072889
Company Registration Number: 3646591

Annual Report and Financial Statements
for the Year Ended 31 January 2025

Morvah Action for the Community and Arts Limited

Contents

Morvah Action for the Community and Arts Limited

Reference and Administrative Details

Chairman	Mr N W Smith
Trustees	Mr N W Smith Mrs K Price Mr T J E Hichens
Secretary	Mrs K Price
Charity Registration Number	1072889
Company Registration Number	3646591
	The charity is incorporated in England and Wales
Registered Office	The School House Morvah Penzance Cornwall TR20 8YT
Principal Office	The School House Morvah Penzance Cornwall TR20 8YT
Independent Examiner	Sarah Heath FMAAT Nero Accountancy 27 Boskenna Road Four Lanes Redruth TR16 6LS

Morvah Action for the Community and Arts Limited

Independent Examiner's Report to the trustees of Morvah Action for the Community and Arts Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 January 2025.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Morvah Action for the Community and Arts Limited as required by section 386 of the 2006 Act; or

2. the accounts do not accord with those records; or

3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or

4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

SHeath

....
Sarah Heath FMAAT
Accountant
27 Boskenna Road
Four Lanes
Redruth
Cornwall
TR16 6LS

14th October 2025

Morvah Action for the Community and Arts Limited

Strategic Report

Policy on reserves

The charity intends to keep reserves at around the current level. The main purpose of the reserves is to cover future spending on building maintenance. Additionally, the reserves would cover all fixed expenditure if exceptional circumstances led to no trading activity for a year.

Principal funding sources

The charity raises funds through trading. The principal areas of trading are the café, and gallery and craft sales.

Major items of expenditure are payments to artists and craft persons, and staff wages.

The annual Pasty Day festival is a very popular event for locals and holiday makers alike. Traditionally, the charity shares in the costs and the income from this event. However for the summer of 2024 event the Trustees decided to let The Friends of Morvah Church have all the proceeds (and therefore pay associated costs) as that charity was on a major fundraising drive. In August 2025 Morvah Action for the Community and Arts once again shared in the income and costs, which will be reflected in next year's accounts.

The year to 31st January 2025 was successful, once again achieving a small surplus.

Restricted funds

Restricted funds are wholly represented by the building, Morvah Schoolhouse. There has been no restricted income or expenditure. Annual income is unrestricted, so available for use as the Trustees see fit.

Principal risks and uncertainties

Each year brings new economic challenges for the population as a whole. However the Trustees are confident that trading income will be close to the level of expenditure. Whilst we need to cover our costs, there is no requirement to make a surplus in the way a profit-making company would seek. It is important to balance the books over the medium term, but an occasional annual deficit will not impact on the future of the charity.

The strategic report was approved by the trustees of the charity on 16th Oct 2025 and signed on its behalf by:

T Hichens
....
Mr T J E Hichens
Trustee

Morvah Action for the Community and Arts Limited

Trustees Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 January 2025.

The Schoolhouse

The Schoolhouse, Morvah, purchased with grants from the Millennium Commission, the South West Regional Development Agency and the Penwith District Council, together with local fund-raising, was designed as a multi-purpose building, in order that it could be both a useful and much-used, year round amenity.

It continues to serve its original purpose as reported in previous reports.

Objectives and activities

Objects and aims

The charity's objects, as stated in the original Memorandum and Articles of Association of Morvah Action for the Community and Arts, read:

To promote community activity in Morvah and its adjoining parishes. To protect and develop Morvah's community identity.

To realise the potential of the residents of Morvah and its adjoining parishes. To promote involvement in the Arts in Morvah and its adjoining parishes.

To encourage and enable participation by all, regardless of age, gender, race or ability. To promote social intercourse.

To maintain, improve and extend the provision of local amenities.

Objectives, strategies and activities

The gallery continues to be a highly regarded space by artists. Forward bookings for the gallery are very positive. The cafe has been popular, and craft sales have also been successful.

Although the charity did not share the costs and income from Morvah Pasty Day last summer, the trustees and staff all helped with organisation of the event on a voluntary basis. The Schoolhouse benefited from increased footfall in the café and gallery on the day of the event. The event was another opportunity for the charity to promote its objects of encouraging community activity.

Public benefit

The Schoolhouse continues to offer a community facility, with particular emphasis on promoting local arts and crafts. New ideas for educational courses and art related topics are continuously explored. Meetings and fundraising events (for organisations and causes other than this charity) have taken place within the building. The cafe is a focal point for the village.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

Volunteers continue to play an important role in the running of the schoolhouse and external events.

Morvah Action for the Community and Arts Limited

Trustees Report

Going concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Trustees and officers

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

Trustees:	Mr N W Smith Mrs K Price Mr T J E Hichens
Chairman:	Mr N W Smith
Secretary:	Mrs K Price

Structure, governance and management

Nature of governing document

The governing document of the company is its Memorandum and Articles of Association.

Organisational structure

Trustees delegate the day-to-day running of the Schoolhouse to the employed staff. Legal responsibility for maintaining the Objects of the Charity, and financial control, remains with the Trustees.

Principal Risks and uncertainties

Each year brings new economic challenges for the population as a whole. However the Trustees are confident that trading income will be close to the level of expenditure. Whilst we need to cover our costs, there is no requirement to make a surplus in the way a profit-making company would seek. It is important to balance the books over the medium term, but an occasional annual deficit will not impact on the future of the charity.

Employee involvement

The charity currently has four paid staff, whose principal role is to man the cafe and gallery, dealing with customers and taking payments. The staff also run events such as Pasty Day with the help of volunteers. The staff are very dedicated and go above and beyond their basic roles, in effect being managers, taking an active role in planning gallery displays and bookings, planning external events, and promoting the charity on social media. The Trustees very much appreciate the efforts of the staff.

Morvah Action for the Community and Arts Limited

Trustees Report

Statement of trustees responsibilities

The trustees (who are also the directors of Morvah Action for the Community and Arts Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United King Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its 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 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, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The 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.

The annual report was approved by the trustees of the charity on 16th Oct 2025 and signed on its behalf by:

T Hichens
....

Mr T J E Hichens
Trustee

Morvah Action for the Community and Arts Limited

Statement of Financial Activities for the Year Ended 31 January 2025
(Including Income and Expenditure Account and Statement of Total Recognised Gains & Losses)

		Unrestricted Funds	Restricted Funds	Total 2025
		£	£	£
Income and Endowments from:	**Note**			
Donations and legacies	2	354		354
Other trading activities	3	73,973		73,973
Investment income	14	775		775
Total incoming resources		75,102	0	75,102
Expenditure on:				
Raising Funds		-74,092		-74,092
Total resources expended		-74,092	0	-74,092
Net incoming resources / (expenditure)		1,010	0	1,010
Net movements in funds		1,010	0	1,010
Reconciliation of funds				
Total funds brought forward		51,143	91,499	142,642
Total funds carried forward		52,153	91,499	143,652

		Unrestricted Funds	Restricted Funds	Total 2024
		£	£	£
Income and Endowments from:	**Note**			
Donations and legacies	2	307		307
Other trading activities	3	77988		77988
Investment income	14	100		100
Total incoming resources		78,395	0	78,395
Expenditure on:				
Raising Funds	11	-73,499		-73,499
Total resources expended		-73,499	0	-73,499
Net incoming resources / (expenditure)		4,896	0	4,896
Net movements in funds		4,896	0	4,896
Reconciliation of funds				
Total funds brought forward		46,247	91,499	137,746
Total funds carried forward	9	51,143	91,499	142,642

Morvah Action for the Community and Arts Limited

(Registration number: 3646591)

Balance Sheet at 31st January 2025

		2025		*2024*	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	5		92,316		*92,229*
Current assets					
Debtors and prepayments	6				
Cash at bank and in hand	7	53,586		*52,303*	
Current liabilities					
Creditors: amounts falling due within one year	8	2,250		*1,890*	
Net current assets			51,336		*50,413*
Net assets / (liabilities)			143,652		*142,642*
Restricted funds			91,499		*91,499*
Unrestricted funds			52,153		*51,143*
Total funds			143,652		*142,642*

For the financial year ending 31 January 2025 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:
a) The trustees have not required the charity to obtain an audit of its accounts for the year in question in accordance with sectuion 476; and
b) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 7 to 15 were approved by the trustees, and authorised for issue on 16th October 25 and signed on their behalf by T Hitchens.

T Hitchens
...........................T Hichens.......... Trustee

Morvah Action for the Community and Arts Limited

Notes to the Financial Statements for the Year Ending 31st January 2025

1 Charity Status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
The School House
Morvah
Penzance
Cornwall
TR20 8YT

These financial statements were authorised for issue by the trustees on 16th October 2025.

2 Income from donations and legacies

	Unrestricted funds General	Total funds
	£	£
Donations and legacies:		
Donations from individuals	354	354
Total for 2025	354	354
Total for 2024	307	307

3 Income from other trading activities

	Unrestricted funds General	Total funds
	£	£
Trading income:		
Income from sale of goods and services	73,973	73,973
Total for 2025	73,973	73,973
Total for 2024	77,988	77,988

Morvah Action for the Community and Arts Limited

Notes to the Financial Statements for the Year Ending 31st January 2025

4 **Taxation**

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

5 **Tangible fixed assets**

	Land & Buildings	Fittings & Equipment	Total
	£	£	£
Cost			
At 1 February 2024	91,499	2,813	94,312
Additions		359	359
At 31 January 2025	91,499	3,172	94,671
Depreciation			
At 1st February 2024		2,083	2,083
Charge for the year		272	272
At 31 January 2025		2,355	2,355
Net book value			
At 31 January 2025	91,499	817	92,316
At 31 January 2024	91,499	730	92,229

6 **Debtors**

	2025
	£
Other debtors	

7 **Cash and Cash equivalents**

	2025	**2024**
	£	**£**
Cash at bank (deposit)	52,920	6,146
Cash at bank (current account)	566	46,088
Petty cash	100	69
	53,586	52,303

Morvah Action for the Community and Arts Limited

Notes to the Financial Statements for the Year Ending 31st January 2025

8 Creditors: amounts falling due within one year

	2025	2024
	£	£
Other creditors	700	890
Accruals	1,000	1,000
Gallery Bookings c/fwd	550	
	2250	1,890

9 Funds

	Balance at 1 February 2024	Incoming Resources	Resources expended	Balance at 31 January 2025
	£	£	£	£
Unrestricted funds				
General	51,143	75,102	-74,092	52,153
Restricted funds	91,499			91,499
Total Funds	142,642	75,102	-74,092	143,652

	Balance at 1 February 2023	Incoming Resources	Resources expended	Balance at 31 January 2024
	£	£	£	£
Unrestricted funds				
General	46,247	78,395	-73,499	51,143
Restricted funds	91,499			91,499
Total Funds	137,746	78,395	-73,499	142,642

10 Analysis of net assets between funds

	Unrestricted funds General	Restricted funds	Total Funds at 31-Jan 2025
	£	£	£
Tangible fixed assets	817	91,499	92,316
Current assets	53,586		53,586
Current liabilities	-2,250		-2,250
Total net assets	52,153	91,499	143,652

11 Expenditure on raising funds

a) Cost of trading activities

	Unrestricted funds General	Total 2025
Allocated support costs	£74,092	£74,092
	£74,092	£74,092

	Unrestricted funds General	Total 2024
Allocated support costs	£73,499	£73,499
	£68,260	£68,260

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

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 to the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
Morvah Action for the Community and Arts Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost on 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 nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies
Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

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.

Investment income
Bank interest is recognised when received.

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.

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.

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.

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.

13 Trustees' remuneration and expenses

No trustees have received remuneration or expenses, however, Nicholas Smith has partaken in art sales on the same commercial basis as other artists, without any special terms or favours.

14 Investment Income

	Unrestricted funds General	Total Funds
	£	£
Interest receivable and similar income		
Interest receivable on bank deposits	775	775
Total for 2025	775	775
Total for 2024	100	100

Morvah Action for the Community and Arts Limited

Notes to the Financial Statements for the Year Ending 31st January 2025

	Total 2025 £	Total 2024 £
Income and Endowments From:		
Donations and legacies (analysed below)	354	307
Other trading activities (analysed below)	73,973	77,988
Investment income (analysed below)	775	100
Total income	75,102	78,395
Expenditure on:		
Raising funds (analysed below)	-74,092	-73,499
Total expenditure	-74,092	-73,499
Net income	1,010	4,896
Net movement in funds	1,010	4,896
Reconciliation of funds		
Total funds brought forward	142,642	137,746
Total funds carried forward	143,652	142,642

Morvah Action for the Community and Arts Limited

Notes to the Financial Statements for the Year Ending 31st January 2025

	Total 2025 £	Total 2024 £
Donations and legacies		
Donations	354	307
UK Government Grants	-	-
	354	307
Other trading activities		
Coffee shop income	19,016	18,048
Fundraising activities		7,827
Gallery sales	24,834	24,713
Craft sales	25,223	23,092
Gallery hire	4,865	4,200
Sundry Income	35	107
	73,973	77,987
Investment income		
Bank interest receivable	775	100
	775	100
Raising funds		
Cost of functions		-4,243
Payments to artists	-18,593	-18,524
Payments to craft persons	-16,215	-14,739
Coffee shop supplies	-4,957	-4,626
Wages and salaries	-24,463	-21,819
Rent and rates	-344	-265
Light, heat and power	-2,492	-2,339
Insurance	-1,559	-1,474
Telephone and fax	-918	-741
Printing and stationery	-523	-786
Sundry expenses	-68	-260
Maintenance and cleaning	-1,153	-990
Advertising	-288	-122
Accountancy fees	-1,045	-1,000
Bank charges	-1,202	-1,326
Depreciation of Fittings & Equipment	-272	-244
	-74,092	-73,498

MORVAH ACTION FOR THE COMMUNITY AND ARTS LIMITED

England & Wales - Charity number 1072889

Accounts

Morvah Action for the Community and Arts Ltd

(A company limited by guarantee)

Charity Registration Number: 1072889
Company Registration Number: 3646591

Annual Report and Financial Statements
for the Year Ended 31 January 2024

Morvah Action for the Community and Arts Limited

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Morvah Action for the Community and Arts Limited

Reference and Administrative Details

Chairman	Mr N W Smith
Trustees	Mr N W Smith Mrs K Price Mr T J E Hichens
Secretary	Mrs K Price
Charity Registration Number	1072889
Company Registration Number	3646591
	The charity is incorporated in England and Wales
Registered Office	The School House Morvah Penzance Cornwall TR20 8YT
Principal Office	The School House Morvah Penzance Cornwall TR20 8YT
Independent Examiner	Sarah Heath FMAAT Nero Accountancy 27 Boskenna Road Four Lanes Redruth TR16 6LS

Morvah Action for the Community and Arts Limited

Independent Examiner's Report to the trustees of Morvah Action for the Community and Arts Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 January 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Morvah Action for the Community and Arts Limited as required by section 386 of the 2006 Act; or

2. the accounts do not accord with those records; or

3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or

4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

....

Sarah Heath FMAAT
Accountant
27 Boskenna Road
Four Lanes
Redruth
Cornwall
TR16 6LS

29th November 2024

Morvah Action for the Community and Arts Limited

Strategic Report

Policy on reserves

The charity intends to keep reserves at around the current level. The main purpose of the reserves is to cover future spending on building maintenance. Additionally, the reserves would cover all fixed expenditure if exceptional circumstances led to no trading activity for a year.

Principal funding sources

The charity raises funds through trading. The principal areas of trading are the café, and gallery and craft sales. Additionally, the annual Pasty Day is a very popular event for locals and holiday makers alike, and raises further funds for the charity. The year to January 2024 was successful, once again achieving a small surplus

Major items of expenditure are payments to artists and craft persons, and staff wages.

Restricted funds

Restricted funds are wholly represented by the building, Morvah Schoolhouse. There has been no restricted income or expenditure. Annual income is unrestricted, so available for use as the Trustees see fit.

Principal risks and uncertainties

Each year brings new economic challenges for the population as a whole. However the Trustees are confident that trading income will be close to the level of expenditure. Whilst we need to cover our costs, there is no requirement to make a surplus in the way a profit-making company would seek. It is important to balance the books over the medium term, but an occasional annual deficit will not impact on the future of the charity.

Morvah Action for the Community and Arts Limited

Trustees Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 January 2024.

The Schoolhouse

The Schoolhouse, Morvah, purchased with grants from the Millennium Commission, the South West Regional Development Agency and the Penwith District Council, together with local fund-raising, was designed as a multi-purpose building, in order that it could be both a useful and much-used, year round amenity.

It continues to serve its original purpose as reported in previous reports.

Objectives and activities

Objects and aims

The charity's objects, as stated in the original Memorandum and Articles of Association of Morvah Action for the Community and Arts, read:

To promote community activity in Morvah and its adjoining parishes. To protect and develop Morvah's community identity.

To realise the potential of the residents of Morvah and its adjoining parishes. To promote involvement in the Arts in Morvah and its adjoining parishes.

To encourage and enable participation by all, regardless of age, gender, race or ability. To promote social intercourse.

To maintain, improve and extend the provision of local amenities.

Objectives, strategies and activities

The gallery continues to be a highly regarded space by artists. Forward bookings for the gallery are very positive. The cafe has been popular, and craft sales have also been successful.

Morvah Pasty Day was very well attended. As well as activities in the sunshine, the evening entertainment was well received. The event is shared between this charity and The Friends of Morvah Church, with funds raised being split between the two organisations.

Public benefit

The Schoolhouse continues to offer a community facility, with particular emphasis on promoting local arts and crafts. New ideas for educational courses and art related topics are continuously explored. Meetings and fundraising events (for organisations and causes other than this charity) have taken place within the building. The cafe is a focal point for the village.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

Volunteers continue to play an important role in the running of the schoolhouse and external events.

Morvah Action for the Community and Arts Limited

Trustees Report

Going concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Trustees and officers

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

Trustees:	Mr N W Smith Mrs K Price Mr T J E Hichens
Chairman:	Mr N W Smith
Secretary:	Mrs K Price

Structure, governance and management

Nature of governing document

The governing document of the company is its Memorandum and Articles of Association.

Organisational structure

Trustees delegate the day-to-day running of the Schoolhouse to the employed staff. Legal responsibility for maintaining the Objects of the Charity, and financial control, remains with the Trustees.

Principal Risks and uncertainties

Each year brings new economic challenges for the population as a whole. However the Trustees are confident that trading income will be close to the level of expenditure. Whilst we need to cover our costs, there is no requirement to make a surplus in the way a profit-making company would seek. It is important to balance the books over the medium term, but an occasional annual deficit will not impact on the future of the charity.

Employee involvement

The charity currently has four paid staff, whose principal role is to man the cafe and gallery, dealing with customers and taking payments. The staff also run events such as Pasty Day with the help of volunteers. The staff are very dedicated and go above and beyond their basic roles, in effect being managers, taking an active role in planning gallery displays and bookings, planning external events, and promoting the charity on social media. The Trustees very much appreciate the efforts of the staff.

Morvah Action for the Community and Arts Limited

Statement of Financial Activities for the Year Ended 31 January 2024
(Including Income and Expenditure Account and Statement of Total Recognised Gains & Losses)

		Unrestricted Funds	Restricted Funds	Total 2024
		£	£	£
Income and Endowments from:	**Note**			
Donations and legacies	2	307		307
Other trading activities	3	77,988		77988
Investment income	14	100		100
Total incoming resources		78,395	0	78,395
Expenditure on:				
Raising Funds		-73,499		-73,499
Total resources expended		-73,499	0	-73,499
Net incoming resources / (expenditure)		4,896	0	151,894
Net movements in funds		4,896	0	151,894
Reconciliation of funds				
Total funds brought forward		46,247	91,499	137,746
Total funds carried forward		51,143	91,499	142,642

		Unrestricted Funds	Restricted Funds	Total 2023
		£	£	£
Income and Endowments from:	**Note**			
Donations and legacies	2	191		191
Other trading activities	3	72905		72905
Investment income	14	17		17
Total incoming resources		73,113	0	73,113
Expenditure on:				
Raising Funds	11	-68,260		-68,260
Total resources expended		-68,260	0	-68,260
Net incoming resources / (expenditure)		4,853	0	4,853
Net movements in funds		4,853	0	4,853
Reconciliation of funds				
Total funds brought forward		41,394	91,499	132,893
Total funds carried forward	9	46,247	91,499	137,746

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

Morvah Action for the Community and Arts Limited

(Registration number: 3646591)

Balance Sheet at 31st January 2024

+	Notes	2024 £	2024 £	*2023* £	*2023* £
Fixed assets					
Tangible assets	5		92,229		*92,173*
Current assets					
Debtors and prepayments	6			*1,395*	
Cash at bank and in hand	7	52,303		*46,744*	
Current liabilities					
Creditors: amounts falling due within one year	8	1,890		*-2,566*	
Net current assets			50,413		*45,573*
Net assets / (liabilities)			142,642		*137,746*
Restricted funds			91,499		*91,499*
Unrestricted funds			51,143		*46,247*
Total funds			142,642		*137,746*

For the financial year ending 31 January 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:
a) The trustees have not required the charity to obtain an audit of its accounts for the year in question in accordance with sectuion 476; and
b) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 6 to 15 were approved by the trustees, and authorised for issue on 16th January 25 and signed on their behalf by T Hitchens.

These financial statements were approved by the Board of Trustees on 16th January 25 and signed on their behalf by:

T Hichens
........................T Hichens.......... Trustee (print name)

Morvah Action for the Community and Arts Limited

Notes to the Financial Statements for the Year Ending 31st January 2024

1 Charity Status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
The School House
Morvah
Penzance
Cornwall
TR20 8YT

These financial statements were authorised for issue by the trustees on 29th November 24

2 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies:		
Donations from individuals	307	307
Total for 2024	307	307
Total for 2023	191	191

3 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income:		
come from sale of goods and services	77,988	77,988
Total for 2024	77,988	77,988
Total for 2023	72,905	72,905

Morvah Action for the Community and Arts Limited

Notes to the Financial Statements for the Year Ending 31st January 2024

4 Taxation

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

5 Tangible fixed assets

	Land & Buildings £	Fittings & Equipment £	Total £
Cost			
At 1 February 2023	91,499	2,513	94,012
Additions		300	300
At 31 January 2024	91,499	2,813	94,312
Depreciation			
At 1st February 2023		1,839	1,839
Charge for the year		244	244
At 31 January 2024		2,083	2,083
Net book value			
At 31 January 2024	91,499	730	92,229
At 31 January 2023	91,499	674	92,173

6 Debtors

	2024 **£**
Other debtors	

7 Cash and Cash equivalents

	2024 **£**	**2023** **£**
Cash at bank	52,303	46,744

8 Creditors: amounts falling due within one year

	2024 **£**	**2023** **£**
Other creditors	890	580
Accruals	1000	1,986
	1890	2,566

Morvah Action for the Community and Arts Limited

Notes to the Financial Statements for the Year Ending 31st January 2024

9 Funds

	Balance at 1 February 2023	Income Resources	Resources expended	Balance at 31 January 2024
	£	£	£	£
Unrestricted funds				
General	46,247	78,395	-73,499	51,143
Restricted funds	91,499			91,499
Total Funds	137,746	78,395	-73,499	142,642

	Balance at 1 February 2022	Income Resources	Resources expended	Balance at 31 January 2023
	£	£	£	£
Unrestricted funds				
General	41,394	73,113	-68,260	46,247
Restricted funds	91,499			91,499
Total Funds	132,893	73,113	-68,260	137,746

10 Analysis of net assets between funds

	Unrestricted funds General	Restricted funds	Total Funds at 31-Jan 2024
	£	£	£
Tangible fixed assets	730	91,499	92,229
Current assets	52,303		52,303
Current liabilities	-1,890		-1,890
Total net assets	51,143	91,499	142,642

11 Expenditure on raising funds

a) Cost of trading activities

	Unrestricted funds General	Total 2024
Allocated support costs	£73,499	£73,499
	£73,499	£73,499

	Unrestricted funds General	Total 2023
Allocated support costs	£68,260	£68,260
	£68,260	£68,260

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

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 to the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
Morvah Action for the Community and Arts Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost on 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 nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies
Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

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.

Investment income
Bank interest is recognised when received.

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.

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.

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.

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.

13 Trustees' remuneration and expenses
No trustees have received remuneration or expenses, however, Nicholas Smith has partaken in art sales on the same commercial basis as other artists, without any special terms or favours.

14 Investment Income

	Unrestricted funds General £	Total Funds at 31-Jan 2024 £
Interest receivable and similar income		
Interest receivable on bank deposits	100	100
Total for 2024	100	100
Total for 2023	17	17

Morvah Action for the Community and Arts Limited

Notes to the Financial Statements for the Year Ending 31st January 2024

	Total 2024 £	Total 2023 £
Income and Endowments From:		
Donations and legacies (analysed below)	307	191
Other trading activities (analysed below)	77,988	72,905
Investment income (analysed below)	100	17
Total income	78,395	73,113
Expendigure on:		
Raising funds (analysed below)	- 73,499	- 68,260
Total expenditure	- 73,499	- 68,260
Net income	4,896	4,853
Net movement in funds	4,896	4,853
Reconciliation of funds		
Total funds brought forward	137,746	132,893
Total funds carried forward	142,642	137,746

Morvah Action for the Community and Arts Limited

Notes to the Financial Statements for the Year Ending 31st January 2024

	Total 2024 £	Total 2023 £
Donations and legacies		
Donations	307	191
UK Government Grants		-
Other trading activities		
Coffee shop income	18,048	15198
Fundraising activities	7,827	6514
Gallery sales	24,713	19,975
Craft sales	23,092	26,591
Office services		17
Gallery hire	4,200	4,610
Sundry Income	107	
	78,294	72,905
Investment income		
Bank interest receivable	100	17
	100	17
Raising funds		
Cost of functions	- 4,243	- 2,637
Payments to artists	- 18,524	- 15,271
Payments to craft persons	- 14,739	- 17,511
Coffee shop supplies	- 4,626	- 4,199
Wages and salaries	- 21,819	- 18,181
Rent and rates	- 265	- 307
Light, heat and power	- 2,339	- 1,952
Insurance	- 1,474	- 1,368
Telephone and fax	- 741	- 580
Printing and stationery	- 786	- 679
Sundry expenses	- 260	- 52
Maintenance and cleaning	- 990	- 1,404
Advertising	- 122	- 244
Accountancy fees	- 1,000	- 1,986
Bank charges	- 1,326	- 1,664
Depreciation of Fittings & Equipment	- 244	225
	- 73,498	- 67,810

MORVAH ACTION FOR THE COMMUNITY AND ARTS LIMITED

England & Wales - Charity number 1072889

Accounts

Signed

Company registration number: 3646591
Charity registration number: 1072889

Morvah Action for the Community and Arts Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 January 2023

Morvah Action for the Community and Arts Limited

Contents

Morvah Action for the Community and Arts Limited

Reference and Administrative Details

Chairman	Mr N W Smith
Trustees	Mr N W Smith Mrs K Price Mr T J E Hichens
Secretary	Mrs K Price
Charity Registration Number	1072889
Company Registration Number	3646591
	The charity is incorporated in England and Wales.
Registered Office	The School House Morvah Penzance Cornwall TR20 8YT
Principal Office	The School House Morvah Penzance TR20 8YT
Independent Examiner	C. Hadji-Argyris ACA Chartered Accountant 15 Alverton Street Penzance Cornwall TR18 2QP

Morvah Action for the Community and Arts Limited

Strategic Report for the Year Ended 31 January 2023

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 January 2023, in compliance with s414C of the Companies Act 2006.

Financial review

Policy on reserves

The charity intends to keep reserves at around the current level. The main purpose of the reserves is to cover future spending on building maintenance. Additionally, the reserves would cover all fixed expenditure if exceptional circumstances led to no trading activity for a year.

Principal funding sources

The charity raises funds through trading. The principal areas of trading are the café, gallery and craft sales. Additionally, the annual Pasty Day is a very popular event for locals and holiday makers alike and raises further funds for the charity. The year to January 2023 was successful, achieving a surplus of £4,853.

The major items of expenditure are payments to artists and craft persons, and staff wages.

Principal risks and uncertainties

For the coming year to January 2024, the country as a whole is suffering from high inflation, and feeling a cost of living squeeze. However, the Trustees are confident that trading income will be close to the level of expenditure. Whilst we need to cover our costs, there is no requirement to make a surplus in the way a profit-making company would seek. It is important to balance the books over the medium term, but an occasional annual deficit will not impact on the future of the charity.

The strategic report was approved by the trustees of the charity on 19/9/23 and signed on its behalf by:

T Hichens

....

Mr T J E Hichens
Trustee

Morvah Action for the Community and Arts Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 January 2023.

The Schoolhouse

The Schoolhouse, Morvah, purchased with grants from the Millennium Commission, the South West Regional Development Agency and the Penwith District Council, together with local fund-raising, was designed as a multi-purpose building, in order that it could be both a useful and much-used, year round amenity.

It continues to serve its original purpose as reported in previous reports.

Objectives and activities

Objects and aims

The charity's objects, as stated in the original Memorandum and Articles of Association of Morvah Action for the Community and Arts, read:

To promote community activity in Morvah and its adjoining parishes.
To protect and develop Morvah's community identity.
To realise the potential of the residents of Morvah and its adjoining parishes.
To promote involvement in the Arts in Morvah and its adjoining parishes.
To encourage and enable participation by all, regardless of age, gender, race or ability.
To promote social intercourse.
To maintain, improve and extend the provision of local amenities.

Objectives, strategies and activities

The gallery continues to be a highly regarded space by artists. Forward bookings for the gallery are very positive. The cafe has been popular, and craft sales have also been successful.

Morvah Pasty Day was very well attended. As well as activities in the sunshine, the evening entertainment was well received. The event is shared between this charity and The Friends of Morvah Church, with funds raised being split between the two organisations. We look forward to another great event in Summer 2023.

Public benefit

The Schoolhouse continues to offer a community facility, with particular emphasis on promoting local arts and crafts. New ideas for educational courses and art related topics are continuously explored. Meetings and fundraising events (for organisations and causes other than this charity) have taken place within the building. The cafe is a focal point for the village.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

Volunteers continue to play an important role in the running of the schoolhouse and external events. Particular thanks are due to Jackie Packer who has given huge amounts of her time in a bookkeeping role.

Morvah Action for the Community and Arts Limited

Trustees' Report

Going concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Trustees and officers

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

Trustees:	Mrs J Le Vasseur (resigned 31 May 2022)
	Mr N W Smith
	Mrs K Price
	Mr T J E Hichens (appointed 26 March 2023)
Chairman:	Mr N W Smith
Secretary:	Mrs K Price

Structure, governance and management

Nature of governing document

The governing document of the company is its Memorandum and Articles of Association.

Organisational structure

Trustees delegate the day-to-day running of the Schoolhouse to the employed staff. Legal responsibility for maintaining the Objects of the Charity, and financial control, remains with the Trustees.

Major risks and management of those risks

For the coming year to January 2024, the country as a whole is suffering from high inflation, and feeling a cost of living squeeze. However, the Trustees are confident that trading income will be close to the level of expenditure. Whilst we need to cover our costs, there is no requirement to make a surplus in the way a profit-making company would seek. It is important to balance the books over the medium term, but an occasional annual deficit will not impact on the future of the charity.

Employee involvement

The charity currently has four paid staff, whose principal role is to man the cafe and gallery, dealing with customers and taking payments. The staff also run events such as Pasty Day with the help of volunteers. The staff are very dedicated and go above and beyond their basic roles, in effect being managers, taking an active role in planning gallery displays and bookings, planning external events, and promoting the charity on social media. The Trustees very much appreciate the efforts of the staff.

Morvah Action for the Community and Arts Limited

Trustees' Report

Statement of trustees' responsibilities

The trustees (who are also the directors of Morvah Action for the Community and Arts Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its 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 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, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The 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.

The annual report was approved by the trustees of the charity on 19/9/23 and signed on its behalf by:

T Hichens
....
Mr T J E Hichens
Trustee

Morvah Action for the Community and Arts Limited

Independent Examiner's Report to the trustees of Morvah Action for the Community and Arts Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 January 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

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

Costa Hadji-Argyris
....
Costa Hadji-Argyris ACA
Chartered Accountant

15 Alverton Street
Penzance
Cornwall
TR18 2QP

Date: 19-9-23

Morvah Action for the Community and Arts Limited

Statement of Financial Activities for the Year Ended 31 January 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	2	191	-	191
Other trading activities	3	72,905	-	72,905
Investment income	14	17	-	17
Total income		73,113	-	73,113
Expenditure on:				
Raising funds	11	(68,260)	-	(68,260)
Total expenditure		(68,260)	-	(68,260)
Net income		4,853	-	4,853
Net movement in funds		4,853	-	4,853
Reconciliation of funds				
Total funds brought forward		41,394	91,499	132,893
Total funds carried forward	9	46,247	91,499	137,746

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	2	10,283	-	10,283
Other trading activities	3	56,284	-	56,284
Investment income	14	1	-	1
Total income		66,568	-	66,568
Expenditure on:				
Raising funds	11	(59,469)	-	(59,469)
Total expenditure		(59,469)	-	(59,469)
Net income		7,099	-	7,099
Net movement in funds		7,099	-	7,099
Reconciliation of funds				
Total funds brought forward		34,295	91,499	125,794
Total funds carried forward	9	41,394	91,499	132,893

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

The funds breakdown for 2022 is shown in note 9.

Morvah Action for the Community and Arts Limited

(Registration number: 3646591)
Balance Sheet as at 31 January 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	5	92,173	92,159
Current assets			
Debtors	6	1,395	-
Cash at bank and in hand	7	46,744	43,460
		48,139	43,460
Creditors: Amounts falling due within one year	8	(2,566)	(2,726)
Net current assets		45,573	40,734
Net assets		137,746	132,893
Funds of the charity:			
Restricted income funds			
Restricted funds		91,499	91,499
Unrestricted income funds			
Unrestricted funds		46,247	41,394
Total funds	9	137,746	132,893

For the financial year ending 31 January 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The trustees have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 7 to 15 were approved by the trustees, and authorised for issue on ...19/9/23 and signed on their behalf by:

T Hichens
....
Mr T J E Hichens
Trustee

The notes on pages 9 to 15 form an integral part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 January 2023

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
The School House
Morvah
Penzance
Cornwall
TR20 8YT

These financial statements were authorised for issue by the trustees on 19 September 2023.

2 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies:		
Donations from individuals	191	191
Total for 2023	191	191
Total for 2022	10,283	10,283

3 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income:		
Income from sale of goods and services	72,905	72,905
Total for 2023	72,905	72,905
Total for 2022	56,284	56,284

4 Taxation

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

5 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 February 2022	91,499	2,274	93,773
Additions	-	239	239
At 31 January 2023	91,499	2,513	94,012
Depreciation			
At 1 February 2022	-	1,614	1,614
Charge for the year	-	225	225
At 31 January 2023	-	1,839	1,839
Net book value			
At 31 January 2023	91,499	674	92,173
At 31 January 2022	91,499	660	92,159

6 Debtors

	2023 £
Other debtors	1,395

7 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	46,744	43,460

8 Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	580	740
Accruals	1,986	1,986
	2,566	2,726

Morvah Action for the Community and Arts Limited

Notes to the Financial Statements for the Year Ended 31 January 2023

9 Funds

	Balance at 1 February 2022 £	Incoming resources £	Resources expended £	Balance at 31 January 2023 £
Unrestricted funds				
General	41,394	73,113	(68,260)	46,247
Restricted funds	91,499	-	-	91,499
Total funds	132,893	73,113	(68,260)	137,746

	Balance at 1 February 2021 £	Incoming resources £	Resources expended £	Balance at 31 January 2022 £
Unrestricted funds				
General	34,295	66,568	(59,469)	41,394
Restricted funds	91,499	-	-	91,499
Total funds	125,794	66,568	(59,469)	132,893

10 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 January 2023 £
Tangible fixed assets	674	91,499	92,173
Current assets	48,139	-	48,139
Current liabilities	(2,566)	-	(2,566)
Total net assets	46,247	91,499	137,746

11 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total 2023 £
Allocated support costs		68,260	68,260
		68,260	68,260

	Note	Unrestricted funds General £	Total 2022 £
Allocated support costs		59,469	59,469
		59,469	59,469

12 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

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) and the Companies Act 2006.

Basis of preparation

Morvah Action for the Community and Arts Limited 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 nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

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.

Investment income

Bank interest is recognised when received.

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.

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.

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 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

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

Asset class	Depreciation method and rate
Plant and machinery	25% reducing balance
Fixtures and fittings	25% reducing balance

Cash and cash equivalents

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

Fund structure

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

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

Financial instruments

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.

13 Trustees' remuneration and expenses

No trustees have received any remuneration from the charity during the year.

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

14 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income:		
Interest receivable on bank deposits	17	17
Total for 2023	17	17
Total for 2022	1	1

Morvah Action for the Community and Arts Limited

Detailed Statement of Financial Activities for the Year Ended 31 January 2023

	Total 2023 £	Total 2022 £
Income and Endowments from:		
Donations and legacies (analysed below)	191	10,283
Other trading activities (analysed below)	72,905	56,284
Investment income (analysed below)	17	1
Total income	73,113	66,568
Expenditure on:		
Raising funds (analysed below)	(68,260)	(59,469)
Total expenditure	(68,260)	(59,469)
Net income	4,853	7,099
Net movement in funds	4,853	7,099
Reconciliation of funds		
Total funds brought forward	132,893	125,794
Total funds carried forward	137,746	132,893

Morvah Action for the Community and Arts Limited

Detailed Statement of Financial Activities for the Year Ended 31 January 2023

	Total 2023 £	Total 2022 £
Donations and legacies		
Friends of Morvah	7	2
Donations	184	185
UK Government grants	-	10,096
	191	10,283
Other trading activities		
Coffee shop income	15,198	12,794
Fundraising activities	6,514	-
Gallery sales	19,975	16,844
Craft sales	26,591	23,448
Office services	17	128
Gallery hire	4,610	3,070
	72,905	56,284
Investment income		
Bank interest receivable	17	1
	17	1
Raising funds		
Cost of functions	(2,637)	(55)
Payments to artists	(15,271)	(12,769)
Payments to craft persons	(17,511)	(15,112)
Coffee shop supplies	(4,199)	(3,870)
Wages and salaries	(18,181)	(12,644)
Rent and rates	(307)	(261)
Light, heat and power	(1,952)	(1,214)
Insurance	(1,368)	(1,376)
Telephone and fax	(580)	(850)
Printing and stationery	(679)	(1,578)
Sundry expenses	(52)	(272)
Maintenance and cleaning	(1,404)	(1,062)
Kitchen refurbishment	-	(4,731)
Advertising	(244)	(82)
Accountancy fees	(1,986)	(2,004)
Bank charges	(1,664)	(1,368)
Depreciation of plant and machinery	(13)	(17)
Depreciation of office equipment	(212)	(204)
	(68,260)	(59,469)

Accounts

Company registration number: 3646591

Charity registration number: 1072889

Morvah Action for the Community and Arts Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 January 2022

Morvah Action for the Community and Arts Limited

Contents

Morvah Action for the Community and Arts Limited

Reference and Administrative Details

Trustees	Mrs J Le Vasseur Mr N W Smith Mrs K Price
Principal Office	The School House Morvah Penzance TR20 8YT
Registered Office	The School House Morvah Penzance Cornwall TR20 8YT The charity is incorporated in England and Wales.
Company Registration Number	3646591
Charity Registration Number	1072889
Bankers	HSBC 1 Green Market Penzance Cornwall TR18 2SD
Independent Examiner	D.J. Reynolds BA FCA Chartered Accountant 15 Alverton Street Penzance Cornwall TR18 2QP

Morvah Action for the Community and Arts Limited

Strategic Report for the Year Ended 31 January 2022

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 January 2022, in compliance with s414C of the Companies Act 2006.

Financial review

Policy on reserves

There are no special reserves. There is a second bank account in which to keep a reserve fund to cover emergencies and unforeseen expenses. All funds in the possession of Morvah Action for the Community and Arts Limited are available to be spent in the pursuit of the objects of the charity.

We have not needed to call on this reserve during the year.

Principal risks and uncertainties

Financial risk
Realising the continued financial difficuties in general of the country, we must continue to be prudent with our finances, whilst recognising that we are a charity that should not hold excessive funds. Nevertheless, with an uncertain general financial future, we believe that we should endeavour to cut costs across the board. To this end, we will closely monitor all expenditure and reduce costs wherever possible.

The strategic report was approved by the trustees of the charity on 19 June 2022 and signed on its behalf by:

....
Mr N W Smith
Trustee

Morvah Action for the Community and Arts Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 January 2022.

Objectives and activities

Objects and aims

The charity's objects, as stated in the original Memorandum and Articles of Association of Morvah Action for the Community and Arts, read:

To promote community activity in Morvah and its adjoining parishes.
To protect and develop Morvah's community identity.
To realise the potential of the residents of Morvah and its adjoining parishes.
To promote involvement in the Arts in Morvah and its adjoining parishes.
To encourage and enable participation by all, regardless of age, gender, race or ability.
To promote social intercourse.
To maintain, improve and extend the provision of local amenities.

To this has been added:
The provision and maintenance of a community hall for the use of the inhabitants of Morvah and its surrounding parishes (the area of benefit) without distinction of political, religious or other opinions, including use for lectures and classes and for any other forms of recreation and leisure time occupation with the object of improving the conditions of life for the said inhabitants.

Objectives, strategies and activities

Morvah Pasty Day was again cancelled this year due to the Coronavirus pandemic. We aim to hold a Pasty Day on 2 August 2022.

The gallery continues to be a highly regarded space by artists, and all the gallery bookings have been brought forward to 2022 with dates from May to December being fully booked.

Public benefit

We hope to be able to continue with the usual activities in the Schoolhouse and Morvah once it is legal and safe to do so. There should be sufficient funds available for the year ahead to cover the general maintenace of the building and facilities. New ideas for educational courses and art related topics will be explored, ensuring they are within the Objects of the charity. Due to there being increasingly fewer residents directly adjacent to the Schoolhouse, we continue to look at new ways to attract participation by people living further afield along with visitors who are staying at Morvah. As the community around us changes, we must evolve with it in order to continue to deliver our aims.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

From the very beginning, volunteers have played an important part in the running of the Schoolhouse. Volunteer roles vary from assisting in the coffee shop to the manning of the events. Volunteers play an increasingly important part in the running of the Schoolhouse. Again, we thank those who have given their time during the last year. In addition to Jackie Packer, volunteer and bookkeeper and Mary Gribble, Morvah Schoolhouse has gained one new volunteer, Mrs Gail Aldred.

Going concern
The charity has received Coronavirus related grant funding from Cornwall Council, which has been saved accordingly to ensure that there has been financial support to continue as a going concern during times of closure and/or low footfall due to the Coronavirus pandemic. A small proportion has been used to fund updates and minor renovations.

The Trustees, in conjunction with the Management Committee, remain vigilant in order that the future of the Schoolhouse is secure. It is essential that we continue to maintain an operating profit by generating more income and reducing costs where possible.

The current assets are sufficient to maintain the Objects of the Charity for the forthcoming year.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Structure, governance and management

Nature of governing document

The governing document of the company is its Memorandum and Articles of Association.

Organisational structure

The Schoolhouse Management Committee

Charged by the Trustees with the responsibility of the day to day running of the Schoolhouse, the Management Committee continues to take overall control of the day to day running of the Schoolhouse.

In accordance with the Articles, all financial control responsibility for exercising the Objects of the Charity and legal responsibility remains with the Trustees. The Management Committee can suggest plans to the Trustees, but the final decision on how the Schoolhouse building is used by the Charity rests with the Trustees. The Management Committee's remit is the day to day running of the building which at present is operating as a Gallery and Cafe.

Major risks and management of those risks

Financial risk
Realising the continued financial difficuties in general of the country, we must continue to be prudent with our finances, whilst recognising that we are a charity that should not hold excessive funds. Nevertheless, with an uncertain general financial future, we believe that we should endeavour to cut costs across the board. To this end, we will closely monitor all expenditure and reduce costs wherever possible.

Assets Held

The Schoolhouse

The Schoolhouse, Morvah, purchased with grants from the Millennium Commission, the South West Regional Development Agency and the Penwith District Council, together with local fund-raising, was designed as a multi-purpose building, in order that it could be both a useful and much-used, year round amenity.

It continues to serve its original purpose as reported in previous reports.

The fortnightly hire charge for the gallery currently stands at £250 during the summer, with a winter charge of £150. Commission is 25% on sales made in the gallery and 35% in the craft shop.

Employee involvement

Trustees Mrs Anne Jones, Mrs Tish Smith and Mrs Helen Hichens sadly resigned in May 2021.

Mrs Gail Aldred sadly resigned in January 2022 as a Trustee.

Mr Nicholas Smith was welcomed as a Trustee in April 2021 and brings with him a wealth of experience in the art industry.

Kate Price was also welcomed as a Trustee in May 2021 and likewise, brings experience from other business sectors.

The continuing Trustee is Mrs Julia Le Vasseur.

The annual report was approved by the trustees of the charity on 19 June 2022 and signed on its behalf by:

....
Mr N W Smith
Trustee

Morvah Action for the Community and Arts Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Morvah Action for the Community and Arts Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees of the charity on 19 June 2022 and signed on its behalf by:

....
Mr N W Smith
Trustee

Morvah Action for the Community and Arts Limited

Independent Examiner's Report to the trustees of Morvah Action for the Community and Arts Limited

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 January 2022 which are set out on pages 8 to 17.

Respective responsibilities of trustees and examiner

As the charity's trustees of Morvah Action for the Community and Arts Limited (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Morvah Action for the Community and Arts Limited are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

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

....
David Joseph Reynolds BA FCA
Chartered Accountant

15 Alverton Street
Penzance
Cornwall
TR18 2QP

19 June 2022

Morvah Action for the Community and Arts Limited

Statement of Financial Activities for the Year Ended 31 January 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	10,283	-	10,283
Other trading activities	4	56,284	-	56,284
Investment income	5	1	-	1
Total income		66,568	-	66,568
Expenditure on:				
Raising funds	13	(59,469)	-	(59,469)
Total expenditure		(59,469)	-	(59,469)
Net income		7,099	-	7,099
Net movement in funds		7,099	-	7,099
Reconciliation of funds				
Total funds brought forward		34,295	91,499	125,794
Total funds carried forward	11	41,394	91,499	132,893

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	24,666	-	24,666
Other trading activities	4	4,869	-	4,869
Investment income	5	4	-	4
Total income		29,539	-	29,539
Expenditure on:				
Raising funds	13	(22,118)	-	(22,118)
Total expenditure		(22,118)	-	(22,118)
Net income		7,421	-	7,421
Net movement in funds		7,421	-	7,421
Reconciliation of funds				
Total funds brought forward		26,874	91,499	118,373
Total funds carried forward	11	34,295	91,499	125,794

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

The funds breakdown for 2021 is shown in note 11.

Morvah Action for the Community and Arts Limited

(Registration number: 3646591)
Balance Sheet as at 31 January 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	8	92,159	91,930
Current assets			
Cash at bank and in hand	9	43,460	36,881
Creditors: Amounts falling due within one year	10	(2,726)	(3,017)
Net current assets		40,734	33,864
Net assets		132,893	125,794
Funds of the charity:			
Restricted income funds			
Restricted funds		91,499	91,499
Unrestricted income funds			
Unrestricted funds		41,394	34,295
Total funds	11	132,893	125,794

For the financial year ending 31 January 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 8 to 17 were approved by the trustees, and authorised for issue on 19 June 2022 and signed on their behalf by:

....
Mrs K Price
Trustee

The notes on pages 10 to 17 form an integral part of these financial statements.

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
The School House
Morvah
Penzance
Cornwall
TR20 8YT

These financial statements were authorised for issue by the trustees on 19 June 2022.

2 Accounting policies

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

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) and the Companies Act 2006.

Basis of preparation
Morvah Action for the Community and Arts Limited 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 nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

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.

Investment income

Bank interest is recognised when received.

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.

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.

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 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

Asset class	**Depreciation method and rate**
Plant and machinery	25% reducing balance
Fixtures and fittings	25% reducing balance

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

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

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

Financial instruments

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.

Morvah Action for the Community and Arts Limited

Notes to the Financial Statements for the Year Ended 31 January 2022

3 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies:		
Donations from individuals	185	185
Legacies	2	2
Grants, including capital grants:		
Government grants	10,096	10,096
Total for 2022	10,283	10,283
Total for 2021	24,666	24,666

4 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income:		
Shop income from sale of donated goods and services	56,284	56,284
Total for 2022	56,284	56,284
Total for 2021	4,869	4,869

5 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income:		
Interest receivable on other loans	1	1
Total for 2022	1	1
Total for 2021	4	4

6 Trustees' remuneration and expenses

No trustees have received any remuneration from the charity during the year.

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

7 Taxation

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

8 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 February 2021	91,499	1,824	93,323
Additions	-	450	450
At 31 January 2022	91,499	2,274	93,773
Depreciation			
At 1 February 2021	-	1,393	1,393
Charge for the year	-	221	221
At 31 January 2022	-	1,614	1,614
Net book value			
At 31 January 2022	91,499	660	92,159
At 31 January 2021	91,499	431	91,930

9 Cash and cash equivalents

	2022 £	2021 £
Cash at bank	43,460	36,881

10 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	-	109
Other creditors	740	1,000
Accruals	1,986	1,908
	2,726	3,017

11 Funds

	Balance at 1 February 2021 £	Incoming resources £	Resources expended £	Balance at 31 January 2022 £
Unrestricted funds				
General	34,295	66,568	(59,469)	41,394
Restricted funds	91,499	-	-	91,499
Total funds	125,794	66,568	(59,469)	132,893

	Balance at 1 February 2020 £	Incoming resources £	Resources expended £	Balance at 31 January 2021 £
Unrestricted funds				
General	26,874	29,539	(22,118)	34,295
Restricted funds	91,499	-	-	91,499
Total funds	118,373	29,539	(22,118)	125,794

12 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 January 2022 £
Tangible fixed assets	660	91,499	92,159
Current assets	43,460	-	43,460
Current liabilities	(2,726)	-	(2,726)
Total net assets	41,394	91,499	132,893

13 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds General £	Total 2022 £
Allocated support costs	59,469	59,469
	59,469	59,469

	Unrestricted funds General £	Total 2021 £
Allocated support costs	22,118	22,118
	22,118	22,118

Morvah Action for the Community and Arts Limited

Detailed Statement of Financial Activities for the Year Ended 31 January 2022

	Total 2022 £	Total 2021 £
Income and Endowments from:		
Donations and legacies (analysed below)	10,283	24,666
Other trading activities (analysed below)	56,284	4,869
Investment income (analysed below)	1	4
Total income	66,568	29,539
Expenditure on:		
Raising funds (analysed below)	(59,469)	(22,118)
Total expenditure	(59,469)	(22,118)
Net income	7,099	7,421
Net movement in funds	7,099	7,421
Reconciliation of funds		
Total funds brought forward	125,794	118,373
Total funds carried forward	132,893	125,794

Morvah Action for the Community and Arts Limited

Detailed Statement of Financial Activities for the Year Ended 31 January 2022

	Total 2022 £	Total 2021 £
Donations and legacies		
Friends of Morvah	2	-
Donations	185	7
UK Government grants	10,096	24,659
	10,283	24,666
Other trading activities		
Coffee shop income	12,794	659
Fundraising activities	-	195
Gallery sales	16,844	2,792
Craft sales	23,448	934
Office services	128	89
Gallery hire	3,070	200
	56,284	4,869
Investment income		
Bank interest receivable	1	4
	1	4
Raising funds		
Cost of functions	(55)	(250)
Payments to artists	(12,769)	(2,378)
Payments to craft persons	(15,112)	(789)
Coffee shop supplies	(3,870)	(181)
Wages and salaries	(12,644)	(11,358)
Rent and rates	(261)	(252)
Light, heat and power	(1,214)	(1,243)
Insurance	(1,376)	(1,213)
Telephone and fax	(850)	(884)
Printing and stationery	(1,578)	(457)
Sundry expenses	(272)	(1)
Maintenance and cleaning	(1,062)	(204)
Kitchen refurbishment	(4,731)	-
Advertising	(82)	(240)
Accountancy fees	(2,004)	(2,178)
Bank charges	(1,368)	(345)
Depreciation of plant and machinery	(17)	(23)
Depreciation of office equipment	(204)	(122)
	(59,469)	(22,118)

MORVAH ACTION FOR THE COMMUNITY AND ARTS LIMITED

England & Wales - Charity number 1072889

Accounts

Company registration number: 3646591
Charity registration number: 1072889

Morvah Action for the Community and Arts Limited

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 January 2021

Morvah Action for the Community and Arts Limited

Contents

Morvah Action for the Community and Arts Limited

Reference and Administrative Details

Trustees	Mrs J Le Vasseur Mrs A Jones Mrs H Hichens Mrs G Aldred Mrs PM Smith
Principal Office	The School House Morvah Penzance TR20 8YT
Registered Office	The School House Morvah Penzance Cornwall TR20 8YT
	The charity is incorporated in England and Wales.
Company Registration Number	3646591
Charity Registration Number	1072889
Bankers	HSBC 1 Green Market Penzance Cornwall TR18 2SD
Independent Examiner	D.J. Reynolds BA FCA Chartered Accountant 15 Alverton Street Penzance Cornwall TR18 2QP

Strategic Report for the Year Ended 31 January 2021

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 January 2021, in compliance with s414C of the Companies Act 2006.

Financial review

Policy on reserves

There are no special reserves. There is a second bank account in which to keep a reserve fund to cover emergencies and unforeseen expenses. All funds in the possession of Morvah Action for the Community and Arts Limited are available to be spent in the pursuit of the objects of the charity.

We have not needed to call on this reserve during the year.

Principal risks and uncertainties

Financial risk
Realising the continued financial difficuties in general of the country, we must continue to be prudent with our finances, whilst recognising that we are a charity that should not hold excessive funds. Nevertheless, with an uncertain general financial future, we believe that we should endeavour to cut costs across the board. To this end, we will closely monitor all expenditure and reduce costs wherever possible.

The strategic report was approved by the trustees of the charity on 14 May 2021 and signed on its behalf by:

....
Mrs H Hichens
Trustee

Morvah Action for the Community and Arts Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 January 2021.

Objectives and activities

Objects and aims

The charity's objects, as stated in the original Memorandum and Articles of Association of Morvah Action for the Community and Arts, read:

To promote community activity in Morvah and its adjoining parishes.
To protect and develop Morvah's community identity.
To realise the potential of the residents of Morvah and its adjoining parishes.
To promote involvement in the Arts in Morvah and its adjoining parishes.
To encourage and enable participation by all, regardless of age, gender, race or ability.
To promote social intercourse.
To maintain, improve and extend the provision of local amenities.

To this has been added:
The provision and maintenance of a community hall for the use of the inhabitants of Morvah and its surrounding parishes (the area of benefit) without distinction of political, religious or other opinions, including use for lectures and classes and for any other forms of recreation and leisure time occupation with the object of improving the conditions of life for the said inhabitants.

Objectives, strategies and activities

This year has seen our projected activities truncated. Due to the Coronavirus pandemic the Schoolhouse closed on 17 March 2020 and Morvah Pasty Day was also cancelled. In light of the current uncertainties, Morvah Pasty Day for 2021 in its traditional form has been cancelled, but it is hoped to hold an event however low key.

The gallery continues to be a highly regarded space by artists, and all the gallery bookings have been brought forward to 2021 with dates from May to December being fully booked.

Public benefit

We hope to be able to continue with the usual activities in the Schoolhouse and Morvah once it is legal and safe to do so. There should be sufficient funds available for the year ahead to cover the general maintenace of the building and facilities. New ideas for educational courses and art related topics will be explored, ensuring they are within the Objects of the charity. Due to there being increasingly fewer residents directly adjacent to the Schoolhouse, we continue to look at new ways to attract participation by people living further afield along with visitors who are staying at Morvah. As the community around us changes, we must evolve with it in order to continue to deliver our aims.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

From the very beginning, volunteers have played an important part in the charity. Volunteer roles vary from administration to the manning of the events. We thank those who have given their time during the last year. Morvah Schoolhouse has gained two new volunteers, Mrs Gail Aldred who is now a Trustee of the charity and Mrs Sally Shaw who will take over from Mrs Jackie Packer in her bookkeeping role. We thank Jackie for all her hard work over the years and wish her well for the future.

Going concern
The charity has received Coronavirus related grant funding from Cornwall Council which has enabled them to embark on the kitchen renovations necessary to ensure that the Schoolhouse complies with the guidelines once legally allowed to open.

The Trustees, in conjunction with the Management Committee, remain vigilant in order that the future of the Schoolhouse is secure. It is essential that we continue to maintain an operating profit by generating more income and reducing costs where possible.

The current assets are sufficient to maintain the Objects of the Charity for the forthcoming year.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Structure, governance and management

Nature of governing document

The governing document of the company is its Memorandum and Articles of Association.

Organisational structure

The Schoolhouse Management Committee

Charged by the Trustees with the responsibility of the day to day running of the Schoolhouse, the Management Committee continues to take overall control of the day to day running of the Schoolhouse.

In accordance with the Articles, all financial control responsibility for exercising the Objects of the Charity and legal responsibility remains with the Trustees. The Management Committee can suggest plans to the Trustees, but the final decision on how the Schoolhouse building is used by the Charity rests with the Trustees. The Management Committee's remit is the day to day running of the building which at present is operating as a Gallery and Cafe.

Major risks and management of those risks

Financial risk
Realising the continued financial difficuties in general of the country, we must continue to be prudent with our finances, whilst recognising that we are a charity that should not hold excessive funds. Nevertheless, with an uncertain general financial future, we believe that we should endeavour to cut costs across the board. To this end, we will closely monitor all expenditure and reduce costs wherever possible.

Assets Held

The Schoolhouse

The Schoolhouse, Morvah, purchased with grants from the Millennium Commission, the South West Regional Development Agency and the Penwith District Council, together with local fund-raising, was designed as a multi-purpose building, in order that it could be both a useful and much-used, year round amenity.

It continues to serve its original purpose as reported in previous reports.

The fortnightly hire charge for the gallery currently stands at £250 during the summer, with a winter charge of £150. Commission is 25% on sales made in the gallery (raised to 30% in 2020) and 35% in the craft shop.

Morvah Action for the Community and Arts Limited

Trustees' Report

Employee involvement
Due to the Coronavirus pandemic, the Schoolhouse closed temporarily on 17 March 2020. Initially staff were put onto furlough. During the year Mrs Ann Westcott resigned in order to become a Trustee of the Charity. As it was not going to be possbile to reopen the Schoolhouse until all the restrictions had been lifted, the difficult decision was made to make the remaining members of staff redundant in order to help protect the charity's future.

Mrs Helena Clinch resigned as a Trustee on 6th August and we thank her for all she has done during her period in office and particularly during the first lockdown period.

Mrs Ann Westcott resigned as a Trustee on 23rd August.

Mr John Nurse resigned on 23rd November – having moved away from Cornwall.

Mr Nicholas Thomas sadly died in November 2020 – after many years as a constant and reliable trustee.

New Trustees Mrs Tish Smith and Mrs Helen Hichens were appointed on 1st September after their period of employment ended.

Mrs Gail Aldred has been added to the Trustees from 31st January 2021.

Continuing Trustees are Mrs Julia Le Vasseur and Mrs Anne Jones.

The annual report was approved by the trustees of the charity on 14 May 2021 and signed on its behalf by:

....
Mrs H Hichens
Trustee

Morvah Action for the Community and Arts Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Morvah Action for the Community and Arts Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees of the charity on 14 May 2021 and signed on its behalf by:

....
Mrs H Hichens
Trustee

Morvah Action for the Community and Arts Limited

Independent Examiner's Report to the trustees of Morvah Action for the Community and Arts Limited

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 January 2021 which are set out on pages 8 to 16.

Respective responsibilities of trustees and examiner

As the charity's trustees of Morvah Action for the Community and Arts Limited (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Morvah Action for the Community and Arts Limited are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

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

....
David Joseph Reynolds BA FCA
Chartered Accountant

15 Alverton Street
Penzance
Cornwall
TR18 2QP

14 May 2021

Morvah Action for the Community and Arts Limited

Statement of Financial Activities for the Year Ended 31 January 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	24,666	-	24,666
Activities for generating funds	4	4,869	-	4,869
Investment income	5	4	-	4
Total Income		29,539	-	29,539
Expenditure on:				
Raising funds	14	(22,118)	-	(22,118)
Total Expenditure		(22,118)	-	(22,118)
Net income		7,421	-	7,421
Net movement in funds		7,421	-	7,421
Reconciliation of funds				
Total funds brought forward		26,874	91,499	118,373
Total funds carried forward	12	34,295	91,499	125,794

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	342	-	342
Activities for generating funds	4	64,575	-	64,575
Investment income	5	12	-	12
Total Income		64,929	-	64,929
Expenditure on:				
Raising funds	14	(61,878)	-	(61,878)
Total Expenditure		(61,878)	-	(61,878)
Net income		3,051	-	3,051
Net movement in funds		3,051	-	3,051
Reconciliation of funds				
Total funds brought forward		23,823	91,499	115,322
Total funds carried forward	12	26,874	91,499	118,373

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

The funds breakdown for 2020 is shown in note 12.

Morvah Action for the Community and Arts Limited

(Registration number: 3646591)
Balance Sheet as at 31 January 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	8	91,930	91,990
Current assets			
Debtors	9	-	13
Cash at bank and in hand	10	36,881	29,000
		36,881	29,013
Creditors: Amounts falling due within one year	11	(3,017)	(2,630)
Net current assets		33,864	26,383
Net assets		125,794	118,373
Funds of the charity:			
Restricted income funds			
Restricted funds		91,499	91,499
Unrestricted income funds			
Unrestricted funds		34,295	26,874
Total funds	12	125,794	118,373

For the financial year ending 31 January 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 8 to 16 were approved by the trustees, and authorised for issue on 14 May 2021 and signed on their behalf by:

....
Mrs H Hichens
Trustee

Morvah Action for the Community and Arts Limited

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

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
The School House
Morvah
Penzance
Cornwall
TR20 8YT

These financial statements were authorised for issue by the trustees on 14 May 2021.

2 Accounting policies

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

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) and the Companies Act 2006.

Basis of preparation
Morvah Action for the Community and Arts Limited 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 nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

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.

Investment income

Bank interest is recognised when received.

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.

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.

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 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

Asset class	**Depreciation method and rate**
Plant and machinery	25% reducing balance
Fixtures and fittings	25% reducing balance

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

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

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

Financial instruments

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.

Morvah Action for the Community and Arts Limited

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

3 Income from donations and legacies

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Donations and legacies:			
Donations from individuals	7	7	342
Grants, including capital grants;			
Government grants	24,659	24,659	-
	24,666	24,666	342

4 Income from other trading activities

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Trading income:			
Coffee shop income	659	659	15,698
Fundraising activities	195	195	4,603
Gallery sales	2,792	2,792	18,700
Craft sales	934	934	20,208
Office services	89	89	31
Gallery hire	200	200	5,335
	4,869	4,869	64,575

5 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Interest receivable and similar income:			
Bank interest receivable	4	4	12

6 Trustees' remuneration and expenses

No trustees have received any remuneration from the charity during the year.

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

7 Taxation

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

8 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 February 2020	91,499	1,739	93,238
Additions	-	85	85
At 31 January 2021	91,499	1,824	93,323
Depreciation			
At 1 February 2020	-	1,248	1,248
Charge for the year	-	145	145
At 31 January 2021	-	1,393	1,393
Net book value			
At 31 January 2021	91,499	431	91,930
At 31 January 2020	91,499	491	91,990

9 Debtors

	2021 £	2020 £
Other debtors	-	13

10 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	36,881	29,000

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	109	-
Other creditors	1,000	800
Accruals	1,908	1,830
	3,017	2,630

12 Funds

	Balance at 1 February 2020 £	Incoming resources £	Resources expended £	Balance at 31 January 2021 £
Unrestricted funds				
General	26,874	29,539	(22,118)	34,295
Restricted funds	91,499	-	-	91,499
Total funds	118,373	29,539	(22,118)	125,794

	Balance at 1 February 2019 £	Incoming resources £	Resources expended £	Balance at 31 January 2020 £
Unrestricted funds				
General	23,823	64,929	(61,878)	26,874
Restricted funds	91,499	-	-	91,499
Total funds	115,322	64,929	(61,878)	118,373

13 Analysis of net assets between funds

	Unrestricted funds		
	General £	Restricted funds £	Total funds £
Tangible fixed assets	431	91,499	91,930
Current assets	36,881	-	36,881
Current liabilities	(3,017)	-	(3,017)
Total net assets	34,295	91,499	125,794

14 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total 2021 £	Total 2020 £
Cost of functions		250	250	2,172
Payments to artists		2,378	2,378	13,490
Payments to craft persons		789	789	12,909
Coffee shop supplies		181	181	5,231
Wages and salaries		11,358	11,358	18,540
Rent and rates		252	252	344
Light, heat and power		1,243	1,243	2,253
Insurance		1,213	1,213	1,406
Telephone and fax		884	884	993
Printing and stationery		457	457	746
Sundry expenses		1	1	27
Maintenance and cleaning		204	204	755
Advertising		240	240	151
Accountancy fees		2,178	2,178	1,787
Bank charges		345	345	910
Depreciation of plant and machinery		23	23	30
Depreciation of office equipment		122	122	134
		22,118	22,118	61,878