

**THE ROYAL CORNWALL POLYTECHNIC SOCIETY LIMITED**  
**(a charitable company limited by guarantee)**

**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE**  
**YEAR ENDED**  
**31 DECEMBER 2020**



**THE ROYAL CORNWALL POLYTECHNIC SOCIETY LIMITED**  
**(a charitable company limited by guarantee)**

**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS 2020**

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**THE ROYAL CORNWALL POLYTECHNIC SOCIETY LIMITED**  
**(a charitable company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE INFORMATION**

Company Registered Number:	03909555
Charity Number:	1081199
Registered Office and Principal Address:	The Poly, 24 Church Street, Falmouth, TR11 3EG
Website	<a href="http://www.thepoly.org">www.thepoly.org</a>
Facebook	<a href="https://facebook.com/polyfalmouth">facebook.com/polyfalmouth</a>
Twitter	<a href="https://twitter.com/PolyFalmouth">twitter.com/PolyFalmouth</a>
Directors at 1 <sup>st</sup> September 2021:	Sue Radmore - Chair Amanda Rundle Tim Parnell Louis Turner Sarah Hertzog Roderick Hirsch – Vice Chair Lauren Hogan Angela Hatherell
Bankers:	HSBC plc Market Street, Falmouth.
Accountants:	RRL LLP Statutory Auditors, Chartered Accountants, Truro.
Investment Managers:	Brewin Dolphin Ltd Ashleigh Court, Ashleigh Way, Langage Business Park, Plymouth.
Independent Financial Advisers	Bishop Fleming Salt Quay House, Sutton Harbour, Plymouth.

DIRECTORS REPORT

The directors, who are the charity trustees for the purposes of the Charities Act 2011, have pleasure in presenting their annual report in compliance with both that Act and the Companies Act 2006, together with the financial statements prepared under the latter Act, for the year ended 31 December 2020.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

## **Objectives and activities**

### **Objects**

The Royal Cornwall Polytechnic Society Limited's stated objects are to "educate and encourage the public in all aspects of the Arts, Sciences, Crafts and History with particular reference to the County of Cornwall".

### **Mission**

The Royal Cornwall Polytechnic Society (The Poly) is a thriving Falmouth based charity, promoting engagement in the arts, sciences and Cornish history through film, live events, exhibitions, lectures and workshops. The Poly's roots are in artistic and technological innovation and local industry and it is based in an iconic listed building in the heart of the community. It is the proud guardian of locally, nationally and internationally significant collections of heritage archives and the works of Henry Scott Tuke.

### **Vision**

Our vision is to be Cornwall's foremost cultural venue and community hub providing exciting, inclusive and innovative entertainment, learning and development opportunities in the arts, sciences and history.

### **Public benefit**

In planning our activities for the year and the future, the trustees confirm they have paid due regard to the Charity Commission's published guidance on public benefit.

## Achievements and performance

### Introduction

The Poly was closed to the public throughout much of 2020 due to the Covid-19 lockdowns. We were closed from 16<sup>th</sup> March and began opening on a limited basis from 23<sup>rd</sup> July. The second lockdown closed us from 2<sup>nd</sup> November to 2<sup>nd</sup> December until the year end leading up to the third lockdown from 6<sup>th</sup> January 2021. A glance at the first table below clearly shows the impact on our activities in the year. However, we did as much as we could to continue to reach out to and support our local communities and artists through a very difficult year for everyone.

Although we have never drawn on regular revenue funding, The Poly could not have continued without outside income and the trustees threw their energies into bidding for and gaining grants to enable us not just to survive but to thrive. We drew down on government backed Covid funds and took out a Bounceback Loan to ensure we had the cash to see us through.

We made very limited use of the Furlough Scheme and were able to protect all but one job. Our staff were working flat out whether at The Poly or from home for most of the year and we thank them for their contribution, creativity and dedication. We also thank our volunteers for their willingness to continue to come into The Poly when we were able to be open.

Over the year, the majority of our members continued to stand by us and we received many generous donations and legacies. A Window of Thanks was installed for our reopening in July to pay tribute to all our supporters and can be viewed on our website.

The Poly building, despite regular maintenance, has continued to deteriorate and some immediate major repair works are required. Pending long-term capital funding, we decided to realise an asset (The Old Stables, sold in December, 2020) in order to finance these works alongside grant assistance. The proceeds have been ringfenced to enable capital repairs to the Main Gallery to be carried out, which were delayed as a result of Covid but will be completed in 2021.

The impact of lockdowns and the condition of the building has encouraged us to take more of our activities online and into the community. Arts Council England funding allowed us to revamp our website, set up The Guild shop online and provide creative opportunities to people who could not access these otherwise. Online workshops were offered, and we plan to extend these and take exhibitions online also. A legacy and Cultivator grant enabled us to set up livestreaming and for 2021 and beyond we are running “Not @ The Poly” events across Falmouth.

## DIRECTORS REPORT

**Events and shows in 2020**

The table below gives a summary of the main categories of events held during 2020, showing the figures for 2019 to show the impact of lockdown on our activities.

(2019 figures in brackets)	No. of Shows	No. of tickets sold
Film	65 (229)	3,082 (13,579)
Theatre	9 (46)	651 (3,416)
Dance	0 (2)	0 (2030)
Comedy	3 (3)	262 (327)
Music	6 (32)	290 (1,967)
Talks	3 (35)	90 (2,347)
External Events, Spoken Word & Workshops	5 (119)	130 (536)
Pottery workshops and drop ins (live)	15 (70)	43 (4070)

**Film**

Our film programme proved popular again through the early part of the year until 1<sup>st</sup> lockdown, with 22 films shown over 36 screenings. Ticket sales totalled 2,733, an average of 76 per screening. Sell out films included Cornish produced Bait once again and The Dark Crystal, an animated film shown in association with The Curious School of Puppetry (see under Theatre). Other well-attended screenings included Waves Film Festival's incredible ocean-themed short films on its second showing; Brit Rock, Little Women, The Personal History of David Copperfield, Shextreme Film Festival and The Lighthouse. More unusual films included Exhibition on Screen: Lucien Freud and a documentary The Bikes of Wrath following five Australian friends attempt to cycle 2600kms from Oklahoma to California in honour of the mighty westward migration undertaken by 'The Grapes of Wrath's' Joad family.

Following lockdown, we removed seats from the theatre leaving 88 out of 180 seats. 64 seats was the maximum capacity possible with social distancing, but 50 was more realistic. The cinema was open in October and again in December. During those months we showed 10 films over 29 screenings, selling a total of 349 tickets – an average of 12 per screening. Only 2 films came close to capacity – Ammonite (part of the BFI Film Festival) and Cornwall Film Festival regional shorts programme. 'It's a Wonderful Life', a Poly Christmas stalwart only managed 47 audience members over 2 screenings (80 came to 1 screening in 2019). The subsidised "Kids for a Quid" programme (Frozen2 and Coco) only sold 55 tickets over 7 screenings. Most disappointingly, The Near-Ta's annual pantomime Christmas Time did not go ahead due to Covid concerns. Instead, the 2020 show was filmed and screened, but only 22 people came over 5 screenings. In 2019, 680 people came to 4 live performances.

DIRECTORS REPORT

In the absence of events, we signposted people to online events and organised discounts for streamed films and film festivals for Poly supporters.

We have not reopened the theatre since the end of the 2021 lockdown due to essential repair and health and safety issues needing resolution and we do not expect the cinema to reopen until January, 2022. We hope that by then, people will feel more comfortable about returning to see films and that our audiences will begin to rebuild to 2019 levels.

We are extremely grateful to the BFI and South West Film Hub for their ongoing support of our independent cinema through the Cinema Incentive Scheme and their Covid grants programme.

## Theatre

Theatre has been very badly affected by Covid across the country, although the year started well for drama at The Poly. We were very pleased to host The Festival of Curious Puppetry, which provides a platform for the long-term development of excellence in puppetry performance in Britain. Alongside a full-time professional training course from 27 January to 14 March, the Curious School offered the public theatre, talks, exhibition and film at The Poly and other local venues. They ran soup nights with a guest speaker open to anyone with an interest in puppetry and the many related art forms. The wide range of theatre included three glorious sold-out events were presented in the theatre: Cinderella Ashputtel, Meet Fred and RAT: The Pied Piper of Hamelin reimaged through live music and shadow puppetry.

We were also treated to Oddbodies' inventive, irreverent and highly accessible take on King Lear. However, no theatre was then staged until December when Coppice Theatre entertained families with Jack's Frosty Tales in the main gallery – this was performed at capacity to an audience of 27 people. However, that was our last event as our annual live Christmas Time was cancelled due to Covid concerns. Sadly, many other regular drama events were stopped by Covid, including Young Generation's annual musical production.

## Comedy

Comedy in 2020 was all about Lou Sanders, whose Say Hello to Your New Step Mommy sold out in January. Lou returned in October to the Main Gallery to trial new material to small but very appreciative socially distanced audiences.

Poly regular Mark Thomas' gigs were cancelled but we are grateful to him for a streamed show in February 2021, where he generously donated part of the ticket sales to us.

## Music and Dance

The monthly Jazz @ The Poly was reduced to just two sessions in January and December. Other gigs in the early part of the year included Cornish Folk Rock Harmony band The Countrymen; the gospel, country and southern soul of duo My Darling Clementine; "string duo bound for glory" Fran and Flora and Falmouth-based contemporary classical guitarist Emilio Ayto. There were no dance events.

## Workshops, talks and other events

Only one major lecture was held in the theatre: Falmouth Marine Conservation's second celebration of women working in science, featuring three women talking about their journey into science, and what they encountered along the way. Smaller events held in the Library included "Herbs to Help you Sleep" and Café Sci, who held their events by Zoom during lockdown. The planned Paul Smales lecture by Edward Gillin on Cornish Science and the demonstration of the Dipping Needle compass following its return to the UK from its journeys around the world by ship in conjunction with the Universities and The Civic Society have been deferred to October, 2021.

DIRECTORS REPORT

Limited workshops were held, including Mary Marbutt's Colour Workshop, three well-attended Spoken Word and Poetry events including "Tristan and Iseult" and Henry Austwick's "Arms and Armour for Writers".

### **The Poly Pottery**

The Poly Pottery was officially launched in February, 2019 and has proved a great success. The Pottery offers workspace to 4 potters and kiln firing services to others. It runs a wide range of workshops to beginners and improvers, as well as sessions for kids and even parent and baby events. Despite lockdown, Head Potter Karl Owen continued to support local ceramicists with kiln firing throughout lockdowns. He ran socially distanced live workshops including 2 beginners' and 1 intermediate hand building courses; 5 throwing courses; 2 tableware courses and one on Porcelain Lights – attended by 43 participants. Karl also embraced online tuition, filming videos available online and running a virtual Raku course where finished work was brought in to be fired in a hand-built kiln. One of our Arts Council England funded projects saw free pottery boxes packed with equipment and instructions sent out to local families and individuals who might not otherwise be able to access hand-on creativity and the wellbeing benefits it brings. Over 130 boxes were given out initially through partnerships with local schools and community organisations. This has become a legacy project, with a buy-one-give-one scheme launched and further resources channelled into it from later Arts Council England funding.

### **Galleries**

We have a range of gallery spaces available for hire/use by artists and groups for exhibitions. Our two Annual Exhibitions – The Spring Open and the Members' Summer Exhibition were impacted by lockdowns – as were many other shows. Many exhibitions, with some notable exceptions including John Howards "Prints from The Studio", were deferred into 2021 but our July reopening saw Jane Smith our Guild Manager putting on "Rescheduled" – with free space available to artists whose shows had been cancelled.

We were pleased to partner with Street Draw24 again, where artists capture images of Falmouth on a single day to be sold to support St Petroc's homeless charity.

### **The Poly Guild**

The Guild is now firmly established as a thriving showcase for the work of 50 local artists and crafts people and, when we are open to the public, makes a significant contribution to our financial viability. Guild artists are selected through application by a panel of peers and must either live or work in TR11/12 or have trained in higher education in Cornwall. The Guild has built up its own range of ceramics produced from designs by local artists, from limited edition mugs to exclusive tableware from our own Poly Potters, which are all produced in the Poly Pottery. Arts Council England funding enabled us to set up the Guild Online shop, to help futureproof us against new lockdowns and promote our artists' works to a wider public.

### **Heritage Archives and collections**

#### **Falmouth History Archive**

This Archive is run entirely by volunteers, who with diligence and dedication continue to make progress with the mammoth task of sorting, indexing and in some cases digitising accumulated documents and photographs. Search facilities are normally provided to visitors to the Poly during opening hours of the Chellean Room, two mornings a week. Unfortunately, the lockdowns curtailed Archive activity through most of 2020.



DIRECTORS REPORT

We continue to be members of the Cornish Archives Network, sharing experience with other community archives across Cornwall. This is mentored by staff at Kresen Kernow (the Cornwall Record Office), providing advice and training on standards and best practice and linking to TNA [The National Archives].

**RCPS Archives**

Much of The Poly's own archive is also held on site, but the more valuable items, alongside our collection of Tuke paintings and two very fine slate carvings by Neville Northey Burnard, are looked after (and insured) by Falmouth Art Gallery (FAG). We are extremely grateful to FAG Director Henrietta Boex and long-time Poly volunteer Michael Carver for their guardianship of our archive. Henrietta has ensured that the Tukes have been exhibited widely as well as in FAG and they are available to view online and in person by arrangement.

Amongst the artefacts is a dipping needle compass designed in 1835 by RCPS founder Robert Were Fox and built in Falmouth, which went on to become essential equipment for ships. Dr Edward Gillin, researching science in 19th century Cornwall, realised the importance of the dipping needle and discovered it was still magnetised and capable of taking readings. After many successful tests and demonstrations, Edward was able to raise funding for a final sea voyage in early 2020 for our dipping needle, retracing as far as Cape Town the route taken in 1839 of an expedition carrying two of Robert's compasses to the Antarctic to locate the magnetic South Pole and measure the Earth's magnetic field in the Southern Hemisphere. Edward found the readings from the needle remarkably accurate and was due to report back in the year. Unfortunately, this has had to be deferred due to lockdown, but we are looking forward to hearing about Edward's travels in Autumn 2021.

**The RCPS Medal**

In November 2019, the Poly Board agreed to reinstate the RCPS Medal. The aim is to award three Medals biannually for outstanding achievements demonstrated by an individual, or group, one in each category of the Arts, Sciences and Industry in Cornwall. It will recognise excellence and leading-edge work of regional, national or international significance that has originated in the County. The intention is to re-establish the Medal as an award of the highest prestige. Sponsorship is in place to take this forward, but again has been deferred due to lockdowns.

**Membership**

We rely on the support of our members, not only because the membership subscription is a vital part of our income generation but because we know that our Members are great advocates for The Poly, and are as committed to our continued success as our Trustees, staff and volunteers are. Membership has dropped below 300 in 2021, but we hope to rebuild the number going forward.

Our Friends of The Poly scheme launched in 2018 offers a way for businesses to support The Poly.

**RCPS Presidents**

The honorary role of President is elected on a three-year term at the Annual General Meeting, whilst Vice-Presidents hold office for life. Sally Robinson BEM is our President. David Peters and Anthony Phillips are our Vice-Presidents.

**Volunteers and staff**

The day to day activities of the charity are undertaken by the staff team, supported by a wide range of volunteers. As well as our heritage archives, our box office and front of house is almost entirely staffed by volunteers, and every event in the theatre has two volunteers working as Fire Wardens and ushers. Generally, our 129 listed volunteers have been very actively involved, although opportunities in 2020 and

**DIRECTORS REPORT**

into 2021 were so restricted. We are grateful to each and every one of them and hope to see them again soon.

There was a turnover of staff during the year, with Angela Hatherell (Evening Duty Manager) and Sam Rump moving on, as did Jane Smith (Guild and Galleries Manager), Nat Willcox (Programme and Marketing Manager) and Millie Jones (Temporary Administrator) in early 2021 and we thank them for their significant contributions to our work.

The trustees acknowledge the commitment and skill shown by all our staff and volunteers in delivering our varied range of activities during very difficult times.

**The Poly Building**

On-going upkeep of our historic Grade 2\* listed building continues to be the major challenge faced by the charity. The Poly Fund – generated from a £1 extra charge per ticket sold – which helps toward the cost of improvements and repairs to the building and services which enhance the customer experience – has been far smaller in 2020 and 2021, whilst the need for repairs does not diminish.

As noted above, The Old Stables was sold in December 2020 to fund essential external roof, wall, window repairs and internal works to the Main Gallery. Part of these works have now been completed, with the balance to be done by the end of 2021. In 2021, surveys revealed the need for works to remove/make safe some areas of asbestos; replace/upgrade fire doors and replace theatre electrics and lighting. During closure, the (unheated) backstage area also deteriorated very significantly. These issues have meant that we have been unable to reopen the theatre post-lockdown to date. Our very limited disabled access and lack of facilities continues to cause great concern.

The Board has agreed that the majority of issues with the building can no longer be remedied through ongoing maintenance and “patching up”. The Board’s energies will now be directed as a matter of urgency towards raising the substantial capital funding required to upgrade the building in terms of repair, facilities and access. However, we have a duty to ensure we continue to deliver our charitable aims and that our building remains wind and watertight and a safe place to work and visit. Therefore, by the end of 2021 we will aim to complete necessary repairs internally and externally to the Main Gallery; remove/make safe asbestos where advised to do so; make any urgent upgrades to fire doors; and install some minor improvements to assist access. This will enable us to maintain use of the Main Gallery and reopen the theatre for cinema. However, it is likely to mean that the stage/backstage requirements cannot be met from existing/minor grant funds and our capacity to stage live events in the theatre will be restricted until major capital funding can be found.

**Fundraising and grant aid**

In 2020, we have had the support of various funders (listed in no particular order) for a number of projects and developments across our activities:

- Government Covid-19 financial support in the form of significant grants via Cornwall Council, rates subsidy and the furlough scheme.
- Arts Council England with The National Lottery for support to future-proof The Poly during Covid-19 lockdown, including funding staffing costs, equipment, website development including the Guild on-line and various projects including the outreach Pottery scheme
- Arts Council England for support towards staffing, overheads, repairs, equipment and Covid-related health and safety provision through the Cultural Recovery Fund though the period October 2020-March 2021 (and again for the period April-July 2021).
- The South-West Film Hub/ British Film Institute for supporting our film programme through the Cinema Incentive Scheme and a specific film season project (deferred to 2022).
- The BFI Covid-19 Resilience Fund with The National Lottery for support for cinema programming through funding staffing costs during lockdown
- Cultivator for support for livestreaming, an intern programme and business planning
- The Falmouth and Penryn Grants Committee for building repairs

**DIRECTORS REPORT**

- The Theatres Trust for building repairs
- The Tanner Trust to support the dipping needle project
- Stuart and Ruth Miller for ongoing donations towards capital projects
- The family of long-term Poly associate Pat van Heer who encouraged people to donate to us rather than send flowers following her sad passing
- Valerie Violet Andrew, who left a very generous legacy to the Poly in her will.
- Many other individual donors who generously gave funds throughout the year

**Key partners**

We are indebted to our key partners for their collaborative working and support, including:

Coppice Theatre; Cornish Archives Network; Cornwall Council; Cornwall Film Festival; Cornwall Wildlife Trust; Curious Festival of Puppetry; En Rapport (Jazz @ The Poly); Falmouth Art Gallery; Falmouth Civic Society; Falmouth Harbour Commissioners; Falmouth Sketch Club; Falmouth Town Council and Falmouth Bid Team; Harbour Lights; Hine Downing Solicitors; Namaste Kitchen; National Maritime Museum; Near-Ta Theatre; Pennycomequick; Plastic Free Falmouth; Scruffy Mutt; Shefestival; Source FM; Street Draw 24; University of Falmouth; University of Exeter; Waves; and Young Generation.

DIRECTORS REPORT

**Financial Review**

**Principal funding sources**

These are derived from investment income, charitable and trading income.

**Reserves policy**

The company holds reserves as a result of donations and other funding over the years. The company needs to retain these reserves to generate income, which can be used to support its charitable activities and to meet its continuing financial obligations as they fall due. At the date of the balance sheet, the unrestricted reserves, (excluding designated funds) amounted to £293,274.

**Investment Policy**

Our investment policy is to hold any surplus funds on deposit to generate income and to help meet day to day expenditure.

In the case of the funds held within the subsidiary charity RCPS, arising from the disposal of the Boulton Watts papers in 2003, our policy is to invest the funds with professional advice from Bishop Fleming IFA.

Until September 2021 the income has been used to service the 15 year, £200,000 loan taken out in 2007 with HSBC plc. From October the income will be used to support the activities of the Poly.

On 14th January 2021, three trustees met with Bishop Fleming (IFA) and Brewin Dolphin stockbrokers to review our portfolio. It is managed with diversified risk with the objectives of both income and growth. They reported that the portfolio's value had increased by 3.2% over the previous 12 months in addition to servicing the bank loan. At the 2020 year-end (31/12/20), its market value was £544,404.

The trustees asked the financial adviser and stockbroker for options on moving to a more ethical investment strategy in line with the Poly's Sustainability Policy (2019). The Board considered this advice on 10/2/21 and instructed Brewin Dolphin to:

"Where possible and over time, buy ESG/SRI investments (i.e. Environmental, Social & Governance & Socially Responsible Investment) as part of the process of managing the portfolio so that there is a gradual ethical improvement in our holdings without loss of value and return".

On 2/9/21 the portfolio's value was £590,584, an increase in value of 23.17% over 12 months.

Investments are made on a medium to long-term basis with the hope of achieving good overall growth and we are comfortable with the risk and projected returns profiles of our portfolio.

RCPS Ltd owned a small property adjacent to The Poly which had been let commercially for several years. The trustees sold this property in 2020 to contribute towards the costs of essential urgent major repair works.

DIRECTORS REPORT

**Plans for future periods**

The company plans to continue to deliver cultural and related events in furtherance of its charitable objectives.

Our longer-term plans to:

- Implement a phased plan of action to future-proof our building with minimum disruption to public opening, alongside a capital fundraising strategy
- Increase our revenue stream, seeking new income generating and revenue fundraising opportunities
- Concentrate on member and volunteer retention and recruitment
- Increase mutually beneficial partnerships
- Increase our customer base and bring more people into The Poly
- Develop our services to people in the community otherwise unable to access those services

remain our guiding principles, but our immediate goals following two years of concentrating on The Poly's financial survival are to rebuild the Poly's programme and offer during and following the lockdown and to ready the building for increased public use. As such in 2021/22 we will:

- Develop and commence implementation of the action plan and capital fundraising strategy for the future-proofing of the building
- Carry out essential repair and health and safety works to enable the public use of most of the building
- Improve our management of production Health and Safety in line with the 2021 review
- Ensure we provide our staff with adequate resources and supportive management
- Reopen the cinema and develop the usage of the main gallery and Library
- Outsource the bar to provide a better customer experience
- Build on the legacy of projects such as Pottery Boxes to reach out to the local community
- Develop our online services, including workshops, exhibitions and streamed events
- Take artists' exhibitions including The Summer Exhibition online to showcase Cornwall's creativity
- Develop the established Poly Guild online shop to both generate income and support our local artist-makers
- Increase the material from our History Archive available online
- Develop plans for the improved storage and protection of our Archives
- Commission and stage a theatrical event around Poly stories oral history project

## **Structure, governance and management**

The company is a registered charity and a company limited by guarantee, registered in England and is governed by its memorandum and articles of association dated 19th January 2000 and amended 10th October 2005, 3rd October 2006, 17th May 2017.

### **Appointment of trustees**

Trustees are normally appointed by the members at the annual general meeting and serve for three years. Trustees may also be co-opted during the year to fill vacancies but have to offer themselves for re-appointment at the next annual general meeting. Candidates are invited to submit details of their background, their special interests relevant to the activities of the society and the areas where their expertise would be of benefit to the operation of the society.

### **Policies and procedures for induction and training of trustees**

New trustees are briefed on the activities, finances and policies of the society both before and after their appointment. Accounts and other relevant information are made available to them as part of the induction process, as well as details of the regulatory regime relevant to the society's structure.

### **Related Charities**

The company controls the Royal Cornwall Polytechnic Society, founded in 1833 and given royal patronage in 1835. The Society is now a subsidiary charity, which formerly carried out some of the charitable activities now assumed by the company.

Under the amended constitution of the Society, the only members of the Society now are the management committee of The Royal Cornwall Polytechnic Society Limited. Under the terms of a Uniting Direction issued by the Charity Commission dated 31st March 2006, the accounts of the Society have been incorporated into the accounts of the company.

The Royal Cornwall Polytechnic Society holds the designated and endowment funds shown within the accounts, together with unrestricted funds. It also holds the majority of the assets (both tangible and heritage) shown in the accounts.

### **Risk Management**

The directors have conducted their own review of the major risks to which the charity is exposed, and systems have been established to mitigate these risks. External risks to funding are mitigated by the support provided by the connected charity, whilst internal risks are minimised by the implementation of financial control procedures. These procedures are reviewed periodically to ensure that they still meet the needs of the charity, especially in the light of turnover in staff and officers. The directors have recognised the need to review and update the risk management framework in line with Charity Commission guidance, to be led by the Finance Committee.

### **Health and Safety**

We take the health and safety of our staff and users extremely seriously and regularly review our policies and procedures. There were no major issues or breaches of policy to report in 2020. Much of our energies in 2020 went into developing and implementing Covid risk management strategies, such as ensuring effective sanitisation and social distancing, with essential equipment funded by Arts Council England. However, the review in 2021 of our Production Health and Safety suggested the need to improve the overall management of health and safety and this is being implemented. Further reviews recommended action on some areas such as asbestos and fire safety and these are also being implemented.

## Reference and administrative details

The trustees administer the Charity in their capacity as directors of the company. Full details of the trustees, officers and advisors are shown on page 1.

The directors have met at least monthly (weekly through 2020) with the primary purpose of ensuring the operational and financial probity of the charity. Delegation of various activities of the company is given to specific committees, which meet on a regular basis and report to the Directors at the monthly board meetings.

## Directors

The directors who held office during the year and since the year-end are:

S P Radmore  
R Hirsch  
A K Rundle  
L M Turner  
D Rickett (resigned 1.7.21)  
T Parnell  
S Hertzog  
A Hatherell (Coopted)  
L Hogan (Coopted)  
H Trevaskis (Coopted)

## Statement of Directors' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources including the income and expenditure of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- 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 company will continue in operation

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

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF ROYAL  
CORNWALL POLYTECHNIC SOCIETY LIMITED**

**Statement of Disclosure to Independent Examiner**

So far as the trustees are aware, there is no relevant information of which the charitable company's independent examiner is unaware, and

The trustees have taken all reasonable steps that they ought to have taken as trustees in order to make themselves aware of any relevant information and to establish that the company's independent examiner is aware of that information.

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

**By order of the Board**

**Louis Turner  
Trustee**

Dated: 28 September 2021



**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF ROYAL  
CORNWALL POLYTECHNIC SOCIETY LIMITED**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31<sup>st</sup> December 2020 which are set out on pages 16 to 30.

**Responsibilities and basis of report**

As the charity 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 company'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**

Since the company's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 that in any material respect:

1. accounting records were not kept in respect of the company 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.

**Mark Williams FCA DChA**

RRL LLP

Peat House

TRURO

Cornwall

TR1 2DP

Dated: 28 September 2021

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating the Income and Expenditure account)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted Funds £	Restricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
<b>Income and endowments</b>						
Donations and legacies	3	119248	75971	-	195,219	39075
Charitable activities	4	108558	-	-	108558	286456
Investments	5	13680	-	3549	17229	29212
Profit on disposal of fixed assets		52812	-	-	52812	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total incoming resources</b>		294298	75971	3549	373818	354743
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditure</b>						
Charitable activities	6	169522	60327	-	229849	354879
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total expenditure</b>	8	169522	60327	-	229849	354879
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Gains on investment assets		25829	-	-	25829	53343
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net income</b>		150605	15644	3549	169798	53207
<b>Transfers between funds</b>		9894	(6345)	(3549)	-	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		160499	9299	-	169798	53207
<b>Reconciliation of funds:</b>						
Total funds brought forward		677679	24303	-	701982	648775
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>	17	838178	33602	-	871780	701982
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derives from continuing activities.

# BALANCE SHEET AS AT 31 DECEMBER 2020

	Notes	2020 £	2019 £
<b>Fixed assets:</b>			
Tangible assets	10	159838	269306
Heritage assets	10 and 24	3980	3980
Investments	11	544404	534032
Total fixed assets		708222	807318
<b>Current assets:</b>			
Stocks	12	2626	3160
Debtors	13	29029	15262
Cash at bank and in hand		243674	28987
Total current assets		275329	47409
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	14	67346	86986
Net current assets/(liabilities)		207983	(39577)
Total assets less current liabilities		916205	767741
Creditors: Amounts falling due after more than one year	16	44425	65759
<b>Total net assets or liabilities</b>		871780	701982
<b>The funds of the charity:</b>			
Restricted income funds	17	33602	24303
Unrestricted funds	17	293274	143147
Designated funds	17	544904	534532
<b>Total charity funds</b>		871780	701982

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

For the year ended 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act relating to small companies.

Directors' responsibilities:

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

**Louis Turner**  
*Trustee, RCPS Limited*

Approved by the trustees on: 28 September 2021

Company registration no. 03909555

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2020

#### 1. Accounting policies

##### Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

##### *Basis of preparation*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity 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 note(s).

The financial statements include the transactions of The Royal Cornwall Polytechnic Society (subsidiary charity), formerly Charity Number 251650, a charity controlled by the company, under the terms of a Uniting Direction issued by the Charity Commissioners dated 31 March 2006.

##### **Cash flow statement**

The Charity has opted to prepare the accounts under Charities SORP (FRS102) and is exempted from preparing a cash flow statement on the grounds that it is a small charity.

##### **Going Concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Income**

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

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

Income received in advance of a performance or provision of other specified service it is deferred until the criteria for income recognition are met (see note 15).

Voluntary income is received by way of donations and fund raising events and is included in full in the income and expenditure account when received.

Investment income is recognised on a receivable basis.

##### **Expenditure and irrecoverable VAT**

Expenditure is recognised once there is legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes the costs of performances, films, the Poly Guild and Poly Pottery and their associated support costs. Governance costs represent legal and professional and auditors fees.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

### Charity Funds

The financial statements of charities distinguish between unrestricted, restricted, endowment and designated funds.

Unrestricted funds are those where there are no externally imposed restrictions. They include those freely available to the charity for expenditure or appropriation to reserves for internally designated purposes.

Endowment funds are held by the subsidiary charity. Endowment funds are those where the charity must retain the property, investments or cash which it has been given and must not spend the capital. The charity can however utilise the income that the funds generate. In these financial statements, the endowment funds represent the income received from the Toynbee Trust, which is available to form part of the general income of the charity without restrictions. Hence, it is transferred each year to unrestricted funds.

Designated funds are held by the subsidiary charity. Designated funds are those which have been set aside by the Trustees from the unrestricted reserves of the charity for a particular purpose. In these financial statements, the net sale proceeds of the Boulton Watts papers have been treated as designated funds, following the vote of the then members of the subsidiary charity at the 2000 Annual General Meeting.

### Donated Assets

Donated assets are recorded on receipt at their market value once the charity is considered to control the item, and any conditions associated with the donated item have been met, the receipt of economic benefit is probable and the economic benefit can be reliably measured, unless considered to meet the definition of a heritage asset.

### Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

### Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

### Heritage assets

Heritage assets are tangible assets which are of historical, artistic, scientific, technological, geophysical or environmental importance that are held and maintained principally for their contribution to knowledge and culture. Heritage assets are not capitalised if it is not deemed possible or cost effective to ascertain reliable details of their historic cost or current valuation. However the financial statements contain an indication of the nature and scale of the heritage assets held (Note 24).

### Operating leases

The charity classifies the lease of printing equipment as operating leases; the title to the equipment remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2020

#### **Tangible Fixed Assets**

Tangible fixed assets are included at cost, unless stated otherwise.

- (a) No depreciation is provided on freehold land.

No depreciation is provided on freehold buildings.

The company is in the course of maintaining the property on an ongoing basis. Consequently any depreciation on the property would in the opinion of the directors, be immaterial and no provision for depreciation has been made.

- (b) Equipment is stated at written down value with additions in the year stated at cost.

The depreciation policy adopted is to write off the cost less estimated residual value of fixed assets over their estimated useful lives. Depreciation is provided at the following rates:

Computer and office equipment - 4 years straight line  
Fixtures and fittings – 10 years straight line  
Digital cinema equipment – 10 years straight line

Depreciation on assets acquired in the period is calculated on a pro-rata time basis.

- (c) Donated assets are recorded on receipt at their market value.  
Donated display boards – 10 years straight line depreciation  
No depreciation is provided on other donated assets.

#### **Stock**

Stock is included at the lower of cost or net realisable value.

#### **Debtors**

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

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

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### **Creditors and provisions**

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

#### **Financial instruments**

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## **2. Legal status of the Trust**

The Royal Cornwall Polytechnic Society Limited is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

**3. Donations and legacies**

	Unrestricted funds	Restricted funds	2020	2019
	£	£	£	£
<u>Grants</u>				
Theatres Trust Fund	-	-	-	5000
Dipping Needle Fund	-	-	-	1200
Covid 19 Grants	106310	58687	164997	-
Medals Project	-	7550	7550	-
Cultivator Live Streaming Fund		3000	3000	-
BFI Film Project		2475	2475	-
<u>Other</u>				
Subscriptions and Gift Aid	5057	-	5057	9457
Donations	7881	-	7881	2369
Poly Fund	-	4259	4259	21049
	<hr/>	<hr/>	<hr/>	<hr/>
	119248	75971	195219	39075
	<hr/>	<hr/>	<hr/>	<hr/>

Donations and legacies was £153,956 (2019: £39,075) of which £77,985 was unrestricted (2019: £10,826) and £75,971 was restricted (2019: £28,249).

Cornwall Council - grants have been received totalling £27,250 (2020: £Nil). The local restrictions support grant has been issued to help businesses during the national lockdown and COVID-19 outbreak.

HMRC - grants have been received totalling £10,199 (2020: £Nil) to help with the furloughed staff whilst in a nationwide lockdown due to COVID-19."

**4. Incoming resources from charitable activities**

	Unrestricted funds	Restricted funds	2020	2019
	£	£	£	£
Sundry income	5509	-	5509	17876
Galleries hire	12235	-	12235	33758
Film revenue	18256	-	18256	68819
Live events	11953	-	11953	53519
Lectures revenue	1894	-	1894	12666
Poly Guild	33705	-	33705	52486
Bar income	7730	-	7730	30990
Poly Pottery	17276	-	17276	16342
	<hr/>	<hr/>	<hr/>	<hr/>
	108558	-	108558	286456
	<hr/>	<hr/>	<hr/>	<hr/>

Incoming resources from charitable activities was £108,558 (2019: £286,456) of which £108,558 was unrestricted (2019: £286,456) and £Nil was restricted (2019: £Nil).

**5. Investment income**

	2020	2019
	£	£
Income from listed investments and government securities	13674	19612
Rental income	3555	9600
	<hr/>	<hr/>
	17229	29212
	<hr/>	<hr/>

Investment income was £17,229 (2019: £29,212) of which £13,680 was unrestricted (2019: £24,759) and £3,549 was from endowment funds (2019: £4,453).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

**6. Resources expended on charitable activities**

	Unrestricted funds	Restricted funds	2020	2019
	£	£	£	£
Film costs	7388	-	7388	29435
Live events and Lectures	8645	-	8645	50316
Performing Rights fees	282	-	282	1422
Freelance Payments	5244	-	5244	6477
Depreciation	12415	-	12415	11883
Equipment and building repairs	2777	2083	4860	7640
Poly Guild costs	20983	-	20983	35337
Bar costs	4872	-	4872	18802
Administration and Sundry Expenses	10279	4450	14729	22553
Interest Payable	2042	-	2042	2634
Card processing charges	6358	-	6358	15152
Salaries and National Insurance	46171	45027	91198	88982
Advertising	3484	6594	10078	9383
Insurance	6758	-	6758	6619
Utilities	13577	-	13577	16218
Cleaning	4188	-	4188	8165
Poly Pottery Costs	4881	2173	7054	10523
Governance costs (see note 7)	9178	-	9178	13338
	<u>169522</u>	<u>60327</u>	<u>229849</u>	<u>354879</u>

Resources expended on charitable activities was £229,849 (2019: £354,879) of which £169,522 was unrestricted (2019: £346,363) and £60,327 was restricted (2019: £8,516).

**7. Governance costs**

	2020	2019
	£	£
Investment Managers	5081	5512
Legal and Professional	4097	7826
	<u>9178</u>	<u>13338</u>

**8. Net income for the year**

	2020	2019
	£	£
This is stated after charging:		
Operating leases – equipment	740	1008
Depreciation	12415	11883
	<u>13155</u>	<u>12891</u>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## YEAR ENDED 31 DECEMBER 2020

### 9. Analysis of staff costs, trustee remuneration and expenses

	2020	2019
	£	£
Salaries and wages	87750	84604
National Insurance	1889	2900
Pension costs	1559	1478
	<hr/>	<hr/>
	91198	88982
	<hr/>	<hr/>

No employees had employee benefits in excess of £60,000 (2019: £Nil).

The charity trustees were not paid or received any other benefits from employment in the year (2019 :£Nil). No trustees (2019: None) received reimbursed expenses during the year (2019: £Nil). For other related party transactions see note 22.

The charity trustees and the General Manager are considered to comprise the key management personnel of the charity. The remuneration of key management personnel totalled £Nil as this post was not filled in 2020 (2019: £20,517).

### Staff Numbers

The average number of employees during the year was as follows:

	2020 Number	2019 Number
Management	<u>5</u>	<u>6</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

**10. Fixed Assets**

	Donated Asset	Buildings	Equipment	Fixtures & Fittings	Total (excluding Heritage Asset)	Heritage Asset
	£	£	£	£	£	£
<b>Cost or valuation</b>						
At 1 January 2020 – company						
	20000	192488	82360	9008	303856	-
Subsidiary charity	-	38189	-	-	38189	3980
Additions at cost – company	-	-	9404	-	9404	-
Disposal at cost – company		(106457)			(106457)	
At 31 December 2020	<u>20000</u>	<u>124220</u>	<u>91764</u>	<u>9008</u>	<u>244992</u>	<u>3980</u>
<b>Depreciation</b>						
At 1 January 2020	14500	-	52239	6000	72739	-
Provision for the year	2000	-	9515	900	12415	-
At 31 December 2020	<u>16500</u>	<u>-</u>	<u>61754</u>	<u>6900</u>	<u>85154</u>	<u>-</u>
<b>Net Book Value</b>						
At 31 December 2020						
Company	3500	86031	30010	2108	121649	-
Subsidiary charity	-	38189	-	-	38189	3980
	<u>3500</u>	<u>124220</u>	<u>30010</u>	<u>2108</u>	<u>159838</u>	<u>3980</u>
As at 31 December 2019	<u>5500</u>	<u>230677</u>	<u>30121</u>	<u>3008</u>	<u>269306</u>	<u>3980</u>

Property disposed of at cost relates to the New Street property (2019 - cost of £106,457).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

**11. Investments**

**Held by the company**

Nil

**Held by subsidiary charity**

	£
At 1 January 2020	534032
Additions	58381
Disposals	(73764)
Revaluation	8451
	<hr/>
At 31 December 2020	527100
Dealing cash balance held	17304
	<hr/>
At 31 December 2020	544404
	<hr/>

The portfolio is invested in mixture of bonds, equities and cash as managed by Brewin Dolphin Limited.

Dealing cash of £17304 is included in the closing valuation of £544404.

The investments of the charity are held to the order of HSBC plc in respect of the bank loan taken out by the subsidiary charity in 2007 and 2008 in order to fund the establishment of a trading subsidiary which ceased trading in January 2010 and has since been liquidated and dissolved.

**12. Stock**

	2020	2019
	£	£
Bar stock	491	1165
Poly Guild stock	1535	1995
Pottery stock	600	-
	<hr/>	<hr/>
	2626	3160

**13. Debtors**

	2020	2019
	£	£
Other debtors		
<i>Company</i>	27890	14628
<i>Subsidiary charity</i>	1139	634
	<hr/>	<hr/>
	29029	15262
	<hr/>	<hr/>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

**14. Creditors - amounts falling due within one year**

	2020 £	2019 £
Company:		
Trade creditors	10315	30548
Tax and social security	1821	2025
Accruals	17052	12800
Deferred income (see note 15)	8043	19113
Bank loan	5575	-
Subsidiary charity:		
Bank loan	24540	22500
	<hr/>	<hr/>
	67346	86986
	<hr/>	<hr/>

**15. Deferred income**

	£
Balance as at 1 January 2020	19113
Amount released to income earned from charitable activities	(16338)
Amount deferred in the year	5268
	<hr/>
Balance as at 31 December 2020	8043
	<hr/>

Deferred income relates to grants and revenue received in advance of the relevant expenditure or the charitable activity.

**16. Creditors – amounts falling due after more than one year**

	2020 £	2019 £
Company:		
Mortgage	-	50000
Loan – HSBC Bank plc	44425	-
Subsidiary charity:		
Loan – HSBC Bank plc	-	15759
	<hr/>	<hr/>
	44425	65759
	<hr/>	<hr/>
Due in over five years	4600	-
	<hr/>	<hr/>

A mortgage advance was renewed from a member of the society in November 2018, interest only, for a period of three years with interest chargeable at 3%. This loan has been secured by way of a first legal charge over a property owned by the charity. The property was sold in the year and the mortgage repaid.

The HSBC bank loan to the Subsidiary charity carries interest at a rate of 1.5% above the bank base rate per annum.

The HSBC bank loan to the Company was advanced under the Bounce Back Loan scheme in May 2020. The loan is interest free for the first 12 months and thereafter interest is charged at a rate of 2.5%. The loan is for 6 years with no repayments required for the first 12 months.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

**17. Movement on funds**

	Opening Funds £	Incoming Resources £	Resources Expended £	Transfers £	Gains and losses £	Closing Funds £
Company:						
Unrestricted funds	(134299)	284173	163859	6345	-	(7640)
Restricted funds	24303	75971	60327	(6345)	-	33602
	<u>(109996)</u>	<u>360144</u>	<u>224186</u>	<u>-</u>	<u>-</u>	<u>25962</u>
Subsidiary charity:						
Unrestricted funds	277446	10125	5663	19006	-	300914
Designated funds	534532	-	-	(15457)	25829	544904
Endowment funds	-	3549	-	(3549)	-	-
	<u>701982</u>	<u>373818</u>	<u>229849</u>	<u>-</u>	<u>25829</u>	<u>871780</u>

Explanation of transfers between funds to unrestricted funds:

£3549 from Endowment funds – income applied to the general income of the charity.

£15457 from Designated funds – income applied to the general income of the charity.

£3345 from Covid 19 fund to general fund – project completed in the year.

£3000 from Cultivator fund to general fund – project completed in the year.

£6345

Analysis of Closing Restricted funds:

	2020 £	2019 £
Poly Fund	16856	17582
Medals Fund	7550	-
BFI Film Project	2475	-
Dipping Needle Fund	721	721
Main Gallery Roof Fund	6000	6000
	<u>33602</u>	<u>24303</u>

**18. Prior year movement on funds**

	Opening Funds £	Incoming Resources £	Resources Expended £	Transfers £	Gains and losses £	Closing Funds £
Company:						
Unrestricted funds	(133880)	306882	339716	32415	-	(134299)
Restricted funds	36985	28249	8516	(32415)	-	24303
	<u>(96895)</u>	<u>335131</u>	<u>348232</u>	<u>-</u>	<u>-</u>	<u>(109996)</u>
Subsidiary charity:						
Unrestricted funds	252128	15159	6647	16806	-	277446
Designated funds	493542	-	-	(12353)	53343	534532
Endowment funds	-	4453	-	(4453)	-	-
	<u>648775</u>	<u>354743</u>	<u>354879</u>	<u>-</u>	<u>53343</u>	<u>701982</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

**19. Prior year movement on funds - continued**

Explanation of transfers between funds to unrestricted funds:

£4453 from Endowment funds – income applied to the general income of the charity.

£12353 from Designated funds – income applied to the general income of the charity.

£1388 from World War 1 fund to general fund – project completed in the year.

£11885 from Pottery fund to general fund – to finance capital expenditure.

£19142 from Pottery fund to general fund – project completed in the year.

£32415

Transfer between restricted funds:

£7736 from Poly fund to Pottery Workshop fund.

Analysis of Closing Restricted funds:

	2019 £	2018 £
Poly Fund	17582	21771
World War 1 Fund	-	3808
Pottery Workshop Fund	-	11406
Dipping Needle Fund	721	-
Main Gallery Roof Fund	6000	-
	<u>24303</u>	<u>36985</u>

**20. Analysis of net assets between funds**

	Fixed Assets	Bank Deposits	Other Current Assets	Current & long term Liabilities	Fund Total
	£	£	£	£	£
Unrestricted	163818	217822	23405	111771	293274
Restricted	-	25352	8250	-	33602
Designated	544404	500	-	-	544904
	<u>708222</u>	<u>243674</u>	<u>31655</u>	<u>111771</u>	<u>871780</u>

**21. Prior year analysis of net assets between funds**

	Fixed Assets	Bank Deposits	Other Current Assets	Current & long term Liabilities	Fund Total
	£	£	£	£	£
Unrestricted	273286	9184	13422	152475	143147
Restricted	-	19303	5000	-	24303
Designated	534032	500	-	-	534532
	<u>807318</u>	<u>28987</u>	<u>18422</u>	<u>152745</u>	<u>701982</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2020

#### 22. Transactions with trustees

R Bedingham, trustee until 22 May 2019, had a business interest in Clojo Ruth Designs. Clojo Ruth Designs received commission on sales of goods sold by the Charity totalling £397 and £250 on sales of goods made to the Charity in 2019. No amounts were outstanding as at 31 March 2019.

T Parnell, trustee, domestic partner of L Harry. L Harry received commission on sale of goods sold by the Charity of £375 during the year (2019: £347) and £261 from sales of goods made to the Charity (2019: £151). £92 was outstanding at the year end (2019: £68). L Harry paid the Charity £175 for services provided during the year (2019: £600).

S Radmore, trustee, was repaid £10,415 in respect of a suppliers' account paid on behalf of the Charity in 2019. The loan was interest free. A supplier's account of £149 paid on behalf of the Charity was repaid during the year (2019: £10,415).

D Rickett, trustee, was paid £832 from sale of goods made to the Charity (2019: £Nil).

L Turner, trustee, paid a supplier's account of £1,399 during the year (2019: £ Nil) on behalf of the Charity. This amount is included in Creditors – Note 15. The loan is interest free and repaid in 2021.

#### 23. Financial commitments

Total future commitments payable under non-cancellable operating leases for equipment are as follows:

	2020	2019
	£	£
<b>Expiry date:</b>		
Within one year	740	740
Between two and five years	-	-

#### 24. Heritage assets

The company holds collections which meet the definition of heritage assets, the majority of which were acquired by the original charity prior to incorporation. These can be summarised as follows:

##### The Tuke Collection

This is a collection of over 270 paintings (oil and watercolour) by the renowned Falmouth artist Henry Scott Tuke RA, RWS (1858-1929), the majority of which were presented to the Society in 1969. A major restoration was carried out in 2008 using funds raised from grants and gifts. The collection is held under the condition that in the event of dissolution of the Society, it shall not be sold but transferred to some other Society. It is kept off site in secure storage, under the management of two Curators. Pictures are periodically loaned out to other institutions for exhibition and viewing of individual pictures can be arranged on request. The oil paintings can be viewed on the Art UK website as well as that of the Falmouth Art Gallery, falmouthartgallery.com and a catalogue was published in 2008. No valuation of this collection has yet been made, except for a more recent addition "Carnations", which was donated in 2009 and is shown on the balance sheet at market price at the time of donation of £3,980.

##### History Collections

The Society has accumulated a considerable archive of photographs, documents and other material relating to Falmouth and its environs as a result of the activities of a History Group which has been active since the 1980's. In 2011 the Society obtained grant funding to improve the facilities in which the archive is held. The collection is managed by volunteers who, as well as organising periodic exhibitions, open the Chellean Room for public enquiries twice a week. No valuation has been made of this community archive.

##### Royal Cornwall Polytechnic Society archive

The Society has occupied the Polytechnic Hall since 1835 and has an extensive archive documenting activities since that time, together with books and artefacts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

**25. Capital commitments**

Amounts contracted for but not provided in the financial statements:

	2020 £	2019 £
Acquisition of tangible fixed assets	-	-
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