

COMPANY REGISTRATION NUMBER: 03901677  
CHARITY REGISTRATION NUMBER: 1082208

**Flavel Centre Trust**  
**Company Limited by Guarantee**  
**Unaudited Financial Statements**  
**28 February 2023**

**WESTCOTTS**  
Chartered accountants  
Petitor House  
Nicholson Road  
Torquay  
Devon  
TQ2 7TD

**Flavel Centre Trust**  
**Company Limited by Guarantee**  
**Financial Statements**  
**Year ended 28 February 2023**

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# Flavel Centre Trust

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report)

#### Year ended 28 February 2023

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 28 February 2023.

#### Reference and administrative details

**Registered charity name** Flavel Centre Trust

**Charity registration number** 1082208

**Company registration number** 03901677

**Principal office and registered office** Flavel Place  
Dartmouth  
TQ6 9ND  
Devon

<b>The trustees</b>	A Green (Chair)	
	P R Johnson	(Resigned 30 September 2022)
	L Ellwood	
	J Alker	(Resigned 31 August 2022)
	I McCall	
	J Logie	(Resigned 6 June 2022)
	F Davidson	
	C Webster	(Resigned 17 May 2023)
	A Dalton	(Appointed 7 March 2022)
	P Sterry (Treasurer)	(Appointed 15 October 2022)
	K Raffael	(Appointed 15 October 2022)
N Riley	(Appointed 28 February 2023)	
	(Resigned 23 May 2023)	
	J Dodd	(Appointed 18 May 2023)

**Company secretary** K Raffael

**General manager** L Turner

**Independent examiner** S R Smith FCA  
Westcotts Chartered Accountants  
Petitor House  
Nicholson Road  
Torquay  
Devon  
TQ2 7TD

# **Flavel Centre Trust**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 28 February 2023**

#### **Structure, governance and management**

The charity's governing document is by way of the Memorandum of Articles of Association, and it is a company limited by guarantee.

The trustees recognise that they are responsible for the good standing of the Trust, the safe management of its assets, the strategy for its future development and all key policy decisions.

The following committees have formally reported to and provided support to the Board during the period.

#### **Management Committee**

Chaired by a trustee, comprising four trustees and two senior managers, the Committee's function is to oversee the day-to-day operation and management of the Trust's activities in accordance with the general strategy, principles and policy and specific instructions and decisions of the Board. It meets monthly or more frequently as necessary.

#### **Flavel Community Forum (formerly the Flavel Management Advisory Committee)**

Chaired by a trustee and comprising other trustees, representatives of management, local authorities and community stakeholder groups, this committee serves as an advisory and support group for the trustees with respect to the overall activities of the Trust in the context of the community. It meets two or three times a year as appropriate.

#### **Compliance Committee**

Chaired by a trustee and comprising five other trustees and the general manager, this committee reviews compliance by the Trust with its legal, contractual and governance obligations and responsibilities.

#### **Fundraising Committee**

Chaired by a trustee and comprising at least three other trustees and ad hoc members from time to time, this committee assists the board with fundraising initiatives and activities.

#### **Finance Committee**

Chaired by the treasurer and comprising at least two other trustees and the general manager, this committee is responsible for budget preparation and financial management policy.

#### **Membership Committee**

Chaired by a trustee and composed of trustees and members, the committee is responsible for the recruitment of new trustees and members. New trustees receive a briefing on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity, whilst also meeting key employees. They receive copies of all governing documents and agreed policies.

# **Flavel Centre Trust**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 28 February 2023**

##### **Directors and Trustees**

The directors of the charitable company (the Trust) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees, who are also the appointed charity trustees, have control of the charity and its property and funds. The number of trustees must consist of at least three, but not more than twelve individuals, all of whom must be members. Membership of the Trust is open to any individual or organisation interested in promoting its objects and who applies to and is approved by the trustees.

The trustees who served during the year are listed on page 1.

In accordance with the Articles of association, one third of the Board of Trustees retired at the annual Retirement Meeting and offered themselves for re-election. The trustees requested members approval to the re-appointment of John Alker, Frances Davidson, and Peter Johnson, which was agreed unanimously.

The trustees receive no remuneration or benefits.

##### **Trustee recruitment**

There is a Trustee Recruitment Committee, with a number of avenues for recruitment;

- Direct recruitment (if individual trustees think someone would be suitable).
- Holding an open evening for any interested parties to find out more.
- Promoting the role of trustee within our Flavel Friends (600+ members).

Once someone is interested, they are invited to apply to the chair of the Trustee Recruitment Committee and are invited for an interview. It is encouraged that this be a two-way conversation and are keen to ensure that the charity is right for them as well as being suitable for the role. They are offered an associate trustee role and they are invited to join meetings as an observer. After a few meetings if the trustees are happy, they are suitable and they are aware of the commitment, role, and responsibilities, they are formally proposed as a full trustee. Once approved they receive a contract and key documentation.

##### **Risk Management Policy**

The Trust undertakes a six-monthly risk review.

The major risks to which the charity is exposed have been reviewed by the trustees during the year. The major opportunities and risks or threats to the continuance of the trust's operations have been identified and systems established where possible to mitigate the risks.

##### **Reserves Policy**

At least annually, the Trust reviews its reserves and working capital requirements in detail. Most of our major capital equipment is over ten years old and much of it will need replacement during the next ten years. The Trust has carried out a comprehensive review of replacement costs and lifetimes of major assets. Meanwhile, the Trust aims to transfer any surplus each year to the Asset Replacement Fund with the long-term aim of amassing a fund sufficient to replace all our asset needs. As at 28 February 2023 there are free unrestricted reserves of £95,575 (2022 - £153,296).

##### **Investment Policy**

The Trust does not hold any investments other than in the form of short notice bank deposit accounts.

# **Flavel Centre Trust**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 28 February 2023**

#### **Objectives and activities**

In setting the objectives, activities and planning, the trustees of the charity have given careful consideration in regard to the Charity Commission's guidance on public benefit. The Trust's primary purpose is to provide the facilities of a community arts centre at Dartmouth, Devon, in order to promote the advancement of education, in the performing arts in all forms including film, music, theatre and talks, and by provision of space for a public library and associated facilities. The Flavel Centre also provides meeting and function rooms, together with associated catering facilities, to meet the needs of local societies and individuals.

The Trust's objectives in the year in pursuit of its primary aims were to offer an attractive range of events and films with a high educational content at accessible prices to a wide range of age groups and social backgrounds.

#### **Chair's report - achievements and performance**

This report covers the period from 1st March 2022 to the end of February 2023 and also looks ahead to the prospects for the current year.

#### **Overview**

This year has been challenging for the Flavel as we have experienced the national impact of austerity, increased fuel prices, inflation, and the war in Ukraine. Locally, Dartmouth has experienced a number of spikes in Covid which has also affected staff and volunteers and has a negative influence on audience confidence. Though the town has new developments on the periphery like the marina and housing estate; local shops and businesses are closing or reducing opening hours and have staffing issues. All of these factors influence The Flavel business directly and indirectly in that our audiences, sponsors and grant funding bodies have fewer funds.

Essentially 'build back' has been difficult as government grants were no longer available and grant awarding and funding bodies especially those relating to the arts have faced their own financial pressures. We did receive an insurance pay out for loss of business earnings which was helpful.

As you are aware we have very few paid employees and largely rely on volunteers for the box office, bar, auditorium and so much more. We have an ongoing recruitment programme and currently have approximately 72 volunteers (only 36 are regularly active).

For film we continue to experience a reduction in attendances, and this is a national trend reflected in behaviour change, limited film distribution of 'blockbusters' and the move toward subscription channels like Netflix and direct streaming of films which would have otherwise been shown on the big screen pre- pandemic. Small audiences are a disproportionate use of resources including staff and volunteers and additionally a small audience is often not perceived by audiences as a 'good' experience. Consequently, we have reduced the number of shows which concentrate the audience and have given us the opportunity to develop other areas of the programme like adult classes.

Live events continue to be popular, and we aim to maximise our profit by adding additional packages like food and cocktails.

Price increases took place for tickets, the bar, café, and room bookings. This followed a review of our competitors and as a response to our rising costs.

# **Flavel Centre Trust**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 28 February 2023**

The trustees recognised that historically the Flavel has relied on non-operational funding like legacies, donations, and grants to contribute towards 50% of its income. The Trustees agreed that going forward, in the new climate of social, cultural, and technological change and austerity, we cannot rely upon this model, and it requires the business to make a bigger and more sustainable contribution to the balance sheet.

In the meantime, we decided it was prudent to replenish our reserves and create financial stability to allow the business plan which included a staff restructure, to take effect. The main thrust of this approach was to launch an appeal. We shared our position and plans with the Members at a meeting on 21st February 2023 and the appeal 'Weathering the Storm' was launched in February with a target of £50,000. This immediately received an offer from the Hadley Family Trust to match funds up to £25,000. The appeal has had a tremendous response and we are confident in reaching our target.

#### **Business Performance**

In order to tackle the ongoing challenges, the trustees working with the staff have formulated and agreed an operational business plan to measure and drive activity.

An important part of our planning has involved using evidence and data to help us better understand the business both retrospectively and going forward. The event management tool was developed by a trustee with IT project management experience, and this is now operational. It uses retrospective and current data to predict and track all events. Data is inputted by the relevant staff members so that we can track the uptake of ticket sales against what is expected. The aim is to keep a regular view on the business so that we can be responsive before an event rather than afterwards. For example, if the trend for an event is disappointing, do we increase our marketing, add an additional feature like a meal or consider cancelling?

Enhanced data on who the audience are and what they want has been acquired through a number of projects. The demographic data held on the website has helped us understand where our audiences live and what their characteristics are so that we can drill down on an event-by-event basis. This informs when we plan events and influences a more focused approach to marketing.

We also developed an online survey to better understand our audience and their views on The Flavel in terms of ambience, facilities, communication, and programming. We received over 300 responses and along with a focus group, we have obtained useful data to inform our programming and to enhance the customer experience throughout.

The business plan has addressed all areas of business and has forecast our expected performance on a monthly basis. This working document will inform and guide our decisions. It currently predicts a deficit at the end of the year however this is a conservative approach which does not account for non-operational funding like the appeal (already at £40,000 including the matched funding) or any fund raising or grants. We already have fundraising events planned and the grant funding committee continues to make regular applications.

#### **Board of Trustees**

Peter Johnson retired as a trustee and treasurer at the end of September 2022, and we are grateful for his long service as a trustee and as volunteer. Paul Sterry, joined as a trustee and treasurer and Noel Riley moved from associate to full trustee. Kingsley Raffael, joined as a trustee and is company secretary.

Existing trustees are Frances Davidson, Lindsay Ellwood, Iain McCall, Val Bird, Andrew Dalton, Colin Webster, and Trevor Wills is an associate trustee.

The Board and Management Committee have secretarial support from Julie Downing and Pamela Nicholson.

# **Flavel Centre Trust**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 28 February 2023**

##### **Staffing**

The trustees reviewed the staff structure to ensure that it was fit for purpose and would be best placed to support the business plan.

In January 2023 we appointed a general manager, Lesley Turner. The artistic manager (37 hours per week) left the organisation, and a new role was created, that of programme manager. This role was created by developing the job role of the existing programming and publishing manager and increasing her hours from 30 to 37 hours per week. These changes saved 30 hours. A café manager was recruited as the café is an important part of our growth agenda.

We currently employ 6 full-time equivalent staff on permanent contracts and additional staff on fewer temporary hours or zero hours contracts.

Staffing continues to be a challenge especially as we are growing our operation but until we can be assured of a stable and growing income stream, trustees will keep the situation under review. The strategy for this year is to create the staff structure to deliver the business plan and not consider staff cuts as a strategy to make savings.

##### **Café**

The refurbishment and opening of the café by the Flavel, run by the Flavel, for the Flavel has been welcomed and receives positive feedback. The Bar area has been reviewed and changes are ongoing.

The café is intended to at least break even but importantly is seen as a revenue stream which can add to our income. Open hours have been extended, additional food offers to events have proved successful and we offer catering for external events like funeral receptions.

##### **Community**

The Flavel Friends scheme continues to make an important contribution in terms of support and funding. We have increased the annual fee and reviewed the marketing material.

We continue to develop our community offering with a range of events and activities. The library with its 'warm area' initiative has been welcomed and we have hosted surgeries for the local MP and Citizens Advice Bureau.

In partnership with Dartmouth Caring and Stoke Fleming Caring we offer 'relaxed' film screenings.

With Dartmouth Academy and Doorstep Arts Theatre (supported by grants) we have hosted workshops and we are the venue for the GCSE final year art show. Together with Dartmouth Youth Club we have provided complimentary film showings.

We partnered the Dartmouth Music Festival with the Flavel as a main venue whereby we benefited from food and drink sales with the bar, café and beer bar operating throughout the weekend. Importantly we were very much at the heart of the event and drew in new audiences including South Devon College music department. We will build on this event from a community perspective and develop the links to the musicians who were exposed to the Flavel as a future venue.

Our meeting rooms continue to be popular for various groups and organisations.



# **Flavel Centre Trust**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 28 February 2023**

#### **Forward Plan**

The main focus for this year is to reverse the decline in revenue, replenish our reserves, keep operating costs under review and reframe our offerings to ensure we attract audiences.

Alongside launching the successful appeal, an intended consequence has been positive conversations with the community and stakeholders about the challenges of keeping the Flavel operating over six days a week over the year. Greater awareness of our charitable status and independence in the absence of local or central funding has raised the profile and will hopefully lead to more support from the community in terms of participation, attendance, and sponsorship.

The clear message from the community is that the Flavel is valued and is an essential part of the Dartmouth and surrounding community.

#### **Conclusion**

The Board of Trustees has committed to a business plan that should see an increase revenue, maintenance of a healthy reserve and greater accountability month by month on performance.

I would like to thank my fellow trustees for their contributions over this year as trustees but also for the many volunteer roles they have undertaken in order to assist in day-to-day operations. The general manager and her staff work hard and accept the levels of flexibility that the roles demand and together with the contributions of our excellent volunteers it is evident that people are at the heart of the Flavel.

**Ann Green**  
**Chair of Trustees**

# **Flavel Centre Trust**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 28 February 2023**

##### **Treasurer's report - financial review**

These financial results reflect the Flavel's first full year post Covid and provides a view of how the world has changed during that period, there was still a hesitance to attend public events and alternatives established during Covid have become the norm. Most impacted is income from the cinema that was historically guaranteed and provided the Flavel with good levels of gross surpluses. It has not recovered to pre Covid levels and this has had and will have an impact on the financial performance of the Flavel. Streaming services are producing their own films, and these are shown exclusively on their network and may or may not be offered to cinema post event. The result is that cinema sales have declined, and industry expectation is that they will not recover. The world has changed but so has the Flavel.

Direct investment of £17,700 was made in the year to establish a café comprising an initial outlay of £7,000 and a deficit in the year of £10,700, this was not unexpected as establishing a new venture takes time. Now fully established, the café will provide an additional source of revenue to the Flavel both as a daytime offering but also by providing targeted food sales to Flavel events, enhancing the customer experience, whilst supporting/encouraging ticket sales and bolstering income.

Analysis of revenue streams and their associated costs has identified weak areas to enable targeted price increases and/or changes to programming to improve overall net income. Drink prices have been increased and benchmarked against local competition to maintain competitiveness. Room hire charges have been increased where there was opportunity to do so.

Improved forecasting will ensure that a review of the financial potential to the Flavel of a proposed event has been accurately assessed prior to booking, including the opportunity to utilise the benefits of the café to enhance overall sales and surpluses. Post event review will provide key information necessary to improve financial performance from future offerings.

The effects of inflation will impact the Flavel going forward both in terms of customer spend and increases in specific cost, such as energy. The Flavel will need to increase the value of donations in the coming year in order to weather the storm of inflation and the change in the public's spending habits. Continued external support will be necessary for this to be successful and targeted change will ensure the Flavel becomes more resilient in its ability to meet future challenges.

The overall deficit for the year before depreciation is £50,000 (2022 - deficit of £8,000) which has reduced the total funds to £1,552,000 (2022 - £1,627,000).

**Paul Sterry**  
**Treasurer**

# **Flavel Centre Trust**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 28 February 2023**

#### **Trustees' responsibilities statement**

The trustees, who are also directors 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).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

#### **Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 1 August 2023 and signed on behalf of the board of trustees by:

.....  
**A Green (Chair)**  
Trustee

# **Flavel Centre Trust**

## **Company Limited by Guarantee**

### **Independent Examiner's Report to the Trustees of Flavel Centre Trust** *(continued)*

#### **Year ended 28 February 2023**

I report to the trustees on my examination of the financial statements of Flavel Centre Trust ('the charity') for the year ended 28 February 2023.

#### **Responsibilities and basis of report**

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

Having satisfied myself that the 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 the 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**

Since the charity'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 (ICAEW), 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:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

.....  
**S R Smith FCA**

Westcotts Chartered Accountants  
Independent Examiner  
Petitor House  
Nicholson Road  
Torquay  
Devon  
TQ2 7TD

11 September 2023

**Flavel Centre Trust**  
**Company Limited by Guarantee**  
**Statement of Financial Activities**  
**(including income and expenditure account)**  
**Year ended 28 February 2023**

		Unrestricted funds	2023 Restricted funds	Total funds	2022 Total funds
	Note	£	£	£	£
<b>Income and endowments</b>					
Donations and legacies	5	53,392	—	<b>53,392</b>	124,810
Trading activities	6	269,288	—	<b>269,288</b>	118,432
Investment income	7	462	—	<b>462</b>	38
Other income	8	26,282	—	<b>26,282</b>	—
<b>Total income</b>		<u>349,424</u>	<u>—</u>	<u><b>349,424</b></u>	<u>243,280</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of raising donations and legacies	9	1,055	—	<b>1,055</b>	1,114
Costs of trading activities	10	402,992	15,832	<b>418,824</b>	268,481
Expenditure on charitable activities	11	3,900	—	<b>3,900</b>	5,836
<b>Total expenditure</b>		<u>407,947</u>	<u>15,832</u>	<u><b>423,779</b></u>	<u>275,431</u>
<b>Net expenditure and net movement in funds</b>		<u>(58,523)</u>	<u>(15,832)</u>	<u><b>(74,355)</b></u>	<u>(32,151)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		166,647	1,460,065	<b>1,626,712</b>	1,658,863
<b>Total funds carried forward</b>		<u>108,124</u>	<u>1,444,233</u>	<u><b>1,552,357</b></u>	<u>1,626,712</u>

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

The notes on pages 13 to 22 form part of these financial statements.

**Flavel Centre Trust**  
**Company Limited by Guarantee**  
**Statement of Financial Position** *(continued)*  
**28 February 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible fixed assets	17	1,456,782	1,473,416
<b>Current assets</b>			
Stocks	18	3,166	1,927
Debtors	19	25,282	39,117
Cash at bank and in hand		135,465	165,317
		<u>163,913</u>	<u>206,361</u>
<b>Creditors: amounts falling due within one year</b>	20	<u>68,338</u>	<u>53,065</u>
<b>Net current assets</b>		<u>95,575</u>	<u>153,296</u>
<b>Total assets less current liabilities</b>		<u>1,552,357</u>	<u>1,626,712</u>
<b>Net assets</b>		<u>1,552,357</u>	<u>1,626,712</u>
<b>Funds of the charity</b>			
Restricted funds		1,444,233	1,460,065
Unrestricted funds		108,124	166,647
<b>Total charity funds</b>	24	<u>1,552,357</u>	<u>1,626,712</u>

For the year ending 28 February 2023 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 company to obtain an audit of its financial statements 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 financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 1 August 2023 and are signed on behalf of the board by:

.....  
**P Sterry (Treasurer)**  
Trustee

The notes on pages 13 to 22 form part of these financial statements.

**Flavel Centre Trust**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year ended 28 February 2023**

**1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Flavel Place, Dartmouth, TQ6 9ND, Devon.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis.

**Going concern**

There are no material uncertainties about the charity's ability to continue. The charity expects the following year to break-even and they have sufficient free reserves.

**Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken available under paragraph 1.12 of FRS 102, not to present a cash flow statement.

**Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

# **Flavel Centre Trust**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

#### **Year ended 28 February 2023**

#### **3. Accounting policies** *(continued)*

##### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is depreciation.

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes: restricted income funds or endowment funds.

##### **Incoming resources**

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable, and its amount can be measured reliably.
- legacy income is recognised when receipt is probable, and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.



# Flavel Centre Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 28 February 2023

#### 3. Accounting policies *(continued)*

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable, and consistent basis.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	- 1% straight line
Fixtures, fittings and equipment	- 10% - 50% Straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

##### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

# **Flavel Centre Trust**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

#### **Year ended 28 February 2023**

#### **3. Accounting policies** *(continued)*

##### **Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

##### **Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

##### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

#### **4. Limited by guarantee**

The Flavel Centre Trust is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not to exceed £10 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

# Flavel Centre Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 28 February 2023

#### 5. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
<b>Donations</b>				
General Donations	18,987	<b>18,987</b>	4,829	4,829
Friends of Flavel	13,877	<b>13,877</b>	14,584	14,584
Fundraising	3,528	<b>3,528</b>	8,965	8,965
Gift Aid	7,000	<b>7,000</b>	16,983	16,983
<b>Legacies</b>				
Legacies	—	<b>—</b>	6,667	6,667
<b>Grants</b>				
Hadley Trust	10,000	<b>10,000</b>	10,000	10,000
Garfield Weston Foundation	—	<b>—</b>	25,000	25,000
Foyle Foundation	—	<b>—</b>	10,000	10,000
Government grant income	—	<b>—</b>	27,782	27,782
	<u>53,392</u>	<u><b>53,392</b></u>	<u>124,810</u>	<u>124,810</u>

#### 6. Trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Trading income	253,021	<b>253,021</b>	101,026	101,026
Devon County Council (library)	16,267	<b>16,267</b>	17,406	17,406
	<u>269,288</u>	<u><b>269,288</b></u>	<u>118,432</u>	<u>118,432</u>

#### 7. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Bank interest receivable	462	<b>462</b>	38	38

#### 8. Other income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Insurance claim	26,282	<b>26,282</b>	—	—

# Flavel Centre Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 28 February 2023

#### 9. Costs of raising donations and legacies

	Unrestricted Funds	<b>Total Funds 2023</b>	Unrestricted Funds	<b>Total Funds 2022</b>
	£	£	£	£
Fundraising expenses	<u>1,055</u>	<u><b>1,055</b></u>	<u>1,114</u>	<u>1,114</u>

#### 10. Costs of trading activities

The costs under restricted funds relates to part of the depreciation charge for the year.

	Unrestricted Funds	Restricted Funds	<b>Total Funds 2023</b>
	£	£	£
Costs of trading activities (see page 25)	<u>402,992</u>	<u>15,832</u>	<u><b>418,824</b></u>

	Unrestricted Funds	Restricted Funds	<b>Total Funds 2022</b>
	£	£	£
Costs of trading activities (see page 25)	<u>252,644</u>	<u>15,837</u>	<u>268,481</u>

#### 11. Expenditure on charitable activities by fund type

	Unrestricted Funds	<b>Total Funds 2023</b>	Unrestricted Funds	<b>Total Funds 2022</b>
	£	£	£	£
Support costs	<u>3,900</u>	<u><b>3,900</b></u>	<u>5,836</u>	<u>5,836</u>

#### 12. Analysis of support costs

	Support costs	<b>Total 2023</b>	<b>Total 2022</b>
	£	£	£
Insurance	1,295	<b>1,295</b>	1,262
Legal and professional fees	55	<b>55</b>	1,774
Office expenses	50	<b>50</b>	50
Independent examiner's fee	2,500	<b>2,500</b>	2,750
	<u>3,900</u>	<u><b>3,900</b></u>	<u>5,836</u>

#### 13. Net expenditure

Net expenditure is stated after charging/(crediting):

	<b>2023</b>	<b>2022</b>
	£	£
Depreciation of tangible fixed assets	<u><b>24,345</b></u>	<u>24,178</u>

# Flavel Centre Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 28 February 2023

#### 14. Independent examination fees

	2023	2022
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	1,000	975
Other financial services	1,500	1,775
	<u>2,500</u>	<u>2,750</u>

#### 15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	161,470	110,619
Social security costs	5,393	3,472
Employer contributions to pension plans	1,046	832
Other employee benefits	6,289	5,000
	<u>174,198</u>	<u>119,923</u>

The average head count of employees during the year was 9 (2022: 7). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Administration	4	5
Cafe	2	—
	<u>6</u>	<u>5</u>

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

#### Volunteers

Our volunteers carry out a number of tasks which are vital to the Flavel. The Board of Trustees are all volunteers and most of them also help in other areas. Currently there is a 70+ team of volunteers acting as duty managers, auditorium stewards, managing the bar, helping with event management, staffing the box office and also with maintenance tasks.

#### 16. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

No trustee expenses were made during the year.

# Flavel Centre Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 28 February 2023

#### 17. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 March 2022	1,713,921	347,655	<b>2,061,576</b>
Additions	—	7,711	<b>7,711</b>
<b>At 28 February 2023</b>	<b>1,713,921</b>	<b>355,366</b>	<b>2,069,287</b>
<b>Depreciation</b>			
At 1 March 2022	255,536	332,624	<b>588,160</b>
Charge for the year	15,040	9,305	<b>24,345</b>
<b>At 28 February 2023</b>	<b>270,576</b>	<b>341,929</b>	<b>612,505</b>
<b>Carrying amount</b>			
<b>At 28 February 2023</b>	<b>1,443,345</b>	<b>13,437</b>	<b>1,456,782</b>
At 28 February 2022	1,458,385	15,031	1,473,416

#### 18. Stocks

	2023 £	2022 £
Drinks and confectionery	<b>3,166</b>	1,927

#### 19. Debtors

	2023 £	2022 £
Trade debtors	<b>8,314</b>	9,541
Prepayments and accrued income	<b>15,423</b>	26,197
Other debtors	<b>1,545</b>	3,379
	<b>25,282</b>	39,117

#### 20. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	<b>27,300</b>	22,734
Accruals and deferred income	<b>37,817</b>	30,166
Social security and other taxes	<b>3,221</b>	165
	<b>68,338</b>	53,065

# Flavel Centre Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 28 February 2023

#### 21. Deferred income

	2023	2022
	£	£
At 1 March 2022	24,496	8,899
Amount released to income	(24,496)	(8,899)
Amount deferred in year	24,744	24,496
<b>At 28 February 2023</b>	<b>24,744</b>	<b>24,496</b>

Deferred income relates to advanced ticket sales and event bookings.

#### 22. Pensions and other post-retirement benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,046 (2022: £832).

#### 23. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2023	2022
	£	£
Recognised in income from donations and legacies:		
Government grants income	—	27,782

#### 24. Analysis of charitable funds

##### Unrestricted funds

	At 1 March 2022	Income	Expenditure	At 28 February 2023
	£	£	£	£
General Funds	166,647	349,424	(407,947)	108,124

  

	At 1 March 2021	Income	Expenditure	At 28 February 2022
	£	£	£	£
General Funds	182,961	243,280	(259,594)	166,647

The unrestricted fund are held for working capital if income falls significantly, for IT equipment upgrade, improvements to the reception area and the balance is for future building repairs.

# Flavel Centre Trust

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 28 February 2023

#### 24. Analysis of charitable funds *(continued)*

##### Restricted funds

	At 1 March 2022 £	Income £	Expenditure £	At 28 February 2023 £
Restricted Funds	<u>1,460,065</u>	<u>—</u>	<u>(15,832)</u>	<u>1,444,233</u>

	At 1 March 2021 £	Income £	Expenditure £	At 28 February 2022 £
Restricted Funds	<u>1,475,902</u>	<u>—</u>	<u>(15,837)</u>	<u>1,460,065</u>

The restricted fund represents specific grants from local authorities and donations towards the building and equipment costs of the Flavel Centre and is reduced by depreciation on an annual basis.

#### 25. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	12,549	1,444,233	<b>1,456,782</b>
Current assets	163,913	—	<b>163,913</b>
Creditors less than 1 year	(68,338)	—	<b>(68,338)</b>
<b>Net assets</b>	<u>108,124</u>	<u>1,444,233</u>	<u><b>1,552,357</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	13,351	1,460,065	1,473,416
Current assets	206,361	—	206,361
Creditors less than 1 year	(53,065)	—	(53,065)
<b>Net assets</b>	<u>166,647</u>	<u>1,460,065</u>	<u>1,626,712</u>

#### 26. Related parties

The trustees and key personnel are listed on page 1. There are no related party transactions during the year.



**Flavel Centre Trust**  
**Company Limited by Guarantee**  
**Management Information**  
**Year ended 28 February 2023**

**The following pages do not form part of the financial statements.**

**Flavel Centre Trust**  
**Company Limited by Guarantee**  
**Detailed Statement of Financial Activities**  
**Year ended 28 February 2023**

	2023 £	2022 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations	18,987	4,829
Friends of Flavel	13,877	14,584
Fundraising	3,528	8,965
Gift Aid	7,000	16,983
Legacies	–	6,667
Hadley Trust	10,000	10,000
Garfield Weston Foundation	–	25,000
Foyle Foundation	–	10,000
Government grant income	–	27,782
	<u>53,392</u>	<u>124,810</u>
<b>Trading activities</b>		
Trading income	253,021	101,026
Devon County Council (library)	16,267	17,406
	<u>269,288</u>	<u>118,432</u>
<b>Investment income</b>		
Bank interest receivable	462	38
<b>Other income</b>		
Insurance claim	26,282	–
<b>Total income</b>	<u><u>349,424</u></u>	<u><u>243,280</u></u>

**Flavel Centre Trust**  
**Company Limited by Guarantee**

**Detailed Statement of Financial Activities** *(continued)*

**Year ended 28 February 2023**

	2023 £	2022 £
<b>Costs of raising donations and legacies</b>		
Fundraising expenses	<u>1,055</u>	<u>1,114</u>
<b>Costs of trading activities</b>		
Purchases	119,925	48,132
Wages and salaries	161,470	110,619
Employer's NIC	5,393	3,472
Pension costs	1,046	832
Other employee benefits	6,289	5,000
Recruitment costs	—	237
Water rates	3,526	1,929
Light & heat	20,485	13,971
Repairs & maintenance	18,944	7,576
Insurance	8,104	8,457
Equipment leasing	2,258	2,408
Telephone	2,980	2,492
Office expenses	2,272	2,121
Depreciation	24,345	24,178
Staff welfare and training	770	739
Advertising and publicity	12,360	14,314
Refuse collection	1,390	1,496
Licences and subscriptions	3,879	382
Cleaning	12,593	10,633
Bank charges	76	127
Credit card charges	5,087	3,566
Website and computer costs	4,378	2,983
Bad debts	165	558
Sundry expenses	<u>1,089</u>	<u>2,259</u>
	<u>418,824</u>	<u>268,481</u>
<b>Expenditure on charitable activities</b>		
<b>Support costs</b>		
Insurance	1,295	1,262
Legal and professional fees	55	1,774
Office expenses	50	50
Independent examiner's fee	<u>2,500</u>	<u>2,750</u>
	<u>3,900</u>	<u>5,836</u>
<b>Total expenditure</b>	<u>423,779</u>	<u>275,431</u>
<b>Net expenditure</b>	<u>(74,355)</u>	<u>(32,151)</u>