

REGISTERED COMPANY NUMBER: 04266321 (England and Wales)
REGISTERED CHARITY NUMBER: 1089301

Report of the Trustees and
Financial Statements
for the Year Ended 31 December 2020
for
Number 8

Attwoods
Perrott House
17 Bridge Street
Persnore
Worcestershire
WR10 1AJ

Number 8

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Chairman's Report for the Year Ended 31 December 2020

The year 2020 is a year to forget for many reasons - although conversely it is a year to remember for the good that came out of adversity. Number 8 continues to demonstrate why it is at the heart of the community. Number 8 is not just a building but a community in itself, comprising our wonderful staff, legions of willing and capable volunteers and our supporters, members and customers.

Little did we know at the end of 2019 when the curtain was coming down on the Christmas festivities and Number 8 was preparing plans to re-open after a well-deserved New Year break, what was to confront us all in 2020. For those watching the International news we were aware of difficulties in China where a so-called epidemic had the potential to spread and become a pandemic but these problems seemed to be too distanced from our shores. Terms such as Coronavirus, Covid 19, lockdowns, furlough, social distancing, working from home, home schooling, Zoom, etc were soon to become part of our everyday dialogue. Even worse was to follow with the spread of the pandemic including hospitalisation on an unprecedented scale and sadly deaths striking every corner of our Nation.

Number 8 was forced to close during 3 lockdowns and in fact as I write we have yet to come out of the 3rd lockdown. Hopefully, following recent Government announcements and on the back of a very successful vaccination roll-out, there is light at the end of the tunnel - a road map to aid us navigate to some form of normality.

Two of the three lockdowns occurred in 2020 - the third started on 5 January 2021 following a short period of Tier 3 restrictions from 31 December 2020. The lockdown closure periods were as follows:

1st Lockdown period: 23 March - 31 August 2020;
2nd Lockdown period: 5 November - 2 December 2020;
(Tier 3 restrictions: 31 December);
3rd Lockdown period: 5 January 2021 to date.

During periods of lockdown and Tier 3 restrictions all staff have furloughed under the Government support scheme. A change in the scheme to a flexible furlough allowed staff to return for short periods, for example to get Number 8 Covid secure in readiness for reopening.

A huge thanks from me and the Board of Trustees goes to all staff for their dedication and hard work to get the premises secure and ready to receive customers and volunteers during very difficult and challenging times. In addition, our thanks also go to the volunteers who readily took up the challenge to return to Number 8 to keep the show going through this stop/start period.

The Executive meetings continued throughout 2020 and from March onwards by way of virtual meetings using the Zoom platform. Also, the Trustees met in the same manner including the AGM held in May 2020.

Whilst 2021 has started as 2020 finished, in lockdown, there is optimism that the 2nd half of the year will see a vast improvement and life returning to some normality and on the local front we will see Number 8 functioning as it always does at the heart of the community!

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Report of the Trustees **for the Year Ended 31 December 2020**

Tony Rowley
Chair of Trustees

The Trustees, who are also the Directors of the charity for the purposes of the Companies Act, are pleased to present their annual report together with the financial statements of the charity for the year ended 31st December 2020.

OBJECTIVES AND STRATEGIES

The objects of the charity are:

- To advance the education of the public in all aspects of dramatic art and film including the arts of drama, mime, opera, music, singing, dance, painting and photography.
- The development of public appreciation of such art by the provision of an arts centre and gallery and the presentation of public performances.
- To further the social and cultural welfare of Pershore and its hinterland and visitors to the area.

The charity has a general aim of contributing to the quality of life of the people of Pershore and wider area by expanding their horizons through the provision of exciting, challenging and accessible community arts events.

The strategies employed to achieve the charity's objectives are to:

- Offer opportunities for a broad range of people to participate in arts activity and explore their own creative powers.
- Provide facilities for amateur and professional artists to develop. Pershore Operatic and Dramatic Society are the resident amateur company and use spaces for rehearsal and performance.
- Concentrate on involving young people in the arts through participatory activities such as Number 8 Youth Theatre to help encourage a culture in which different age ranges play a complementary part.
- Celebrate the diversity of cultures in our society by programming presentations by and with artists of different cultural backgrounds.
- Present a broad range of arts work.

The four main areas of activity are: stage performances and concerts, film screenings, educational programmes and art exhibitions. The programme aims to achieve a mix of the arts to suit a range of tastes and incomes.

A free viewing gallery features regular displays of work by artists both amateur and professional. Whilst this activity produces the least income it is of equal importance in the life of Number 8 and contributes to the ambience of our foyer coffee bar and box office. These exhibitions enable local people and visitors to the town to see a variety of work which they may not otherwise choose to see at galleries. Four glass display cabinets allow the exhibition of 3D crafts.

Number 8 is very involved in the community. Our letter heading captures the spirit of Number 8 "inspired and led by the community of Pershore". Number 8 has approximately 230 volunteers who assist in the running of Number 8, stewarding events, manning the box office, charity shop, coffee bar & bar and projecting films. This enables Number 8 to operate effectively ensuring that Number 8 is a financially viable enterprise. There were approximately 446 Friends of Number 8 at the end of 2020 (2019 - 548).

STRATEGIC REPORT

Achievements and Performance

Charitable Activities

Number 8's charitable activity in 2020 was severely limited as a result of the global Covid-19 pandemic and ensuing restrictions. The year included long periods of closure during national lockdowns and limits on activity along with reduced capacity when open in order to adhere to government guidelines, and maintain social distancing.

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Report of the Trustees for the Year Ended 31 December 2020

In the early part of 2020, before Covid-19 became an issue, activity was going well with a programme including film screenings, live events, event cinema, community hires, creative courses, and gallery and craft exhibitions. Between 1 January and 17 March, Number 8 held 6 different auditorium live events, 15 event cinema screenings, 59 film screenings of 27 different titles and 4 events in The Foyer informal performance space with a combined total of 9,991 ticketed attendances. The centre also hosted 5 performances (of 2 different shows *The W-Factor Final* and *The Addams Family* performed by Pershore Operatic and Dramatic Society's Youth Section) organised by community hirers, with ticketed attendances of 1,083.

Number 8 ran 8 Chance to Dance contemporary dance classes for those age 55+ each week during term time. The classes included a Gentle Chance to Dance class for those with long term conditions, who are rehabilitating or have a disability that impacts on their mobility. Number 8 Youth Theatre gave children the opportunity to develop acting skills, and the Pop Up Lowry Workshop inspired adult participants to paint in the style of the famous artist. The centre also hosted a variety of weekly classes organised by community hirers including yoga, zumba, watercolour painting and youth theatre groups.
ticketed attendances of 1,083.

As part of the first national lockdown Number 8 was closed from 17 March until Tuesday 1 September when the gallery space and coffee bar reopened with restrictions in place. Number 8's arts programme restarted on Thursday 17 September. The centre remained open until Wed 4 November after which it closed again as part of the second lockdown, reopening briefly from Friday 11 to Wednesday 30 December before closing again as the country entered the third lockdown. The lockdown closures resulted in cancellations of screenings and events that had already been scheduled and the need to refund or exchange tickets that had been pre-booked. Where feasible, cancelled screenings were rescheduled and ticket holders were given the option to transfer their booking. During the lockdown periods Number 8 encouraged audiences to engage in arts and education activity by producing e-bulletins with information, ideas, and links to sites offering online screenings and activities.

From the point at which the centre reopened in September to the end of the year, activity was restricted in a number of ways. For much of the period, in order to comply with restrictions and adhere to social distancing guidelines, live performances were unable to take place so auditorium activity was limited to film and event cinema screenings. Auditorium capacity was severely reduced, there were restrictions in place at some stages that prohibited indoor dance classes and youth theatre activity and in periods when classes could take place the conditions required to adhere to Covid safety guidelines meant that it was not always viable. As a result, Number 8 Youth Theatre was unable to resume for the autumn term and Chance to Dance classes ran with a reduced group size and only for a 6 week period. Restrictions also meant that activity such as our annual Schools Showcase workshops and exhibition and our Open Exhibition was unable to go ahead. In order to maintain social distancing and reduce congestion we were unable to hold craft exhibitions or events in The Foyer, and during periods when live performances were allowed, the reduced capacity and limited backstage space meant many events, and community hires for performances, were not possible. From September through until the end of 2020 Number 8 held 50 film screenings, 24 event cinema screenings and 4 live performances (of 1 show).

In addition to the impact of restrictions on the range of activities, attendances from September onwards were greatly reduced as audiences limited their activities in a desire to reduce the risk of contracting the virus. Auditorium ticketed attendances for the open periods of just under 10 weeks spanning between September until the end of the year totalled only 2,411 resulting in a total auditorium attendance of 13,485 for the year as a whole.

Despite the impact that the pandemic had on activity and attendances, during the periods in 2020 when activity was allowed Number 8 offered a diverse programme and a valuable resource for the community.

Film screenings included critically acclaimed titles such as *Little Women* and *Harriet*, independent British films, classics such as *Out of Africa*, foreign language films including award winner *Parasite*, and documentaries. The range of event cinema screenings was diverse featuring opera, concerts, ballet, theatre, and talks including NT Live: *Cyrano de Bergerac*, *Riverdance 25th Anniversary Show*, and *David Attenborough: A Life on Our Planet*.

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Report of the Trustees for the Year Ended 31 December 2020

Highlights of the live events programme included performances from Paul Jones & Dave Kelly, and the Orchestra of the Swan concert *Mozart in Buenos Aires*. *Babes in the Wood* a 'mini-pantomime' performed by local youth company The Festival Players - the only live event staged at Number 8 in the autumn/winter period - was one of very few festive events to be staged in the region with pantomimes unable to go ahead as a result of restrictions. The show gave young people the space to perform live and offered the community a much-needed opportunity to come together for an evening of uplifting entertainment.

Children and young people benefited from attending our Youth Theatre in the spring term, they enjoyed theatre performances of *The Snow Dragon* and *Mimi and the Mountain Dragon* and screenings of films such as *Spies in Disguise* and *100% Wolf*. While participatory activities were restricted, participants in the Chance to Dance classes that were able to go ahead were appreciative of the opportunity they provided to engage in dance and interact with others outside of their own homes, increasing their fitness and feelings of wellbeing in the process.

As a result of restrictions, only 3 craft exhibitions took place in the first part of the year. These included a showcase of ceramics from Woodsetton Potteries and an exhibition of handmade glass incorporating natural stones and pebbles from Warwickshire based artist Cheryl Steventon. The number of gallery exhibitions was reduced to 6, these included exhibitions from local photographer Chris Ludlow, the collective 4 Abstract Artists, and painter Malcolm Brookes. The shared gallery and coffee bar space served the community by providing an informal setting to meet up, particularly during the periods when meeting other households was allowed in hospitality venues but not in private homes. Throughout the year, even during periods of closure, Number 8 maintained contact with audiences and the wider community and worked to support the community during these difficult times.

Fundraising Activities

In addition to raising funds through ticket income, hire charges and gallery income through its charitable activities, Number 8 raises funds in two other primary areas:

Catering – The challenging conditions during the pandemic constrained our catering activity but the coffee bar remained a successful source of income and a popular meeting place for the local community, albeit at greater distances. Unfortunately, restrictions meant it was impractical to open the bar for performances in the evening but audiences were able to pre-order refreshments to be delivered to their seats prior to the show.

Charity Shop - Opened initially to raise funds towards the refurbishment of the Foyer, Number 8's charity shop (*Just After 8*) has become an ongoing fundraising effort to generate money towards future capital projects and investment in future equipment. It opens four days a week, is completely staffed by volunteers, and offers a wide and often fascinating array of items for sale as well as arts and crafts by local artists. Again, this activity has been affected by being unable to open due to pandemic restrictions and volunteer caution. It has remained very successful at the times when it was able to open.

Financial review

Not surprisingly the events of 2020 adversely impacted Number 8's financial performance with the Arts Centre making a modest net deficit of £(1,842) before depreciation charges of £49,526. The Charity Shop contributed £11,025 leading to an overall deficit for the year of £(40,343).

This result could have been much worse, but for a strong first quarter trading performance, grants from Wychavon of £35,000, Furlough payments of £57,772 towards staff costs and the generosity of our customers and volunteers with donations £17,285 higher than last year.

Number 8 has been well managed financially throughout its existence and has substantial cash reserves held to invest in its future. These reserves have declined by £51,106 during the year and will continue to decrease during 2021 until life is able to return to normal and Number 8 can fully re-open with its patrons willing and able to return.

Investment policy and objectives

Any investment is made in accordance with the Rules of the charity and by the Trustees. The Trustees have a cautious attitude to risk and do not invest in such a way as could put capital at risk. However, in the economic climate that has prevailed for the last few years this means that returns on investment have been low.

Reserves policy

Cash reserves are held to cover unforeseen operational costs, essential maintenance costs, asset replacement, and for funding new projects or investments in new technologies. The cash reserves figure at 31st December 2020 was £334,901 (31st December 2019 £386,007).

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Report of the Trustees **for the Year Ended 31 December 2020**

Financial and Risk Management Objectives and Policies

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.
- The status of current mitigation actions is reported to the Board on a regular basis.

Our key operational risks are as follows:

- Our most important risk, by far, continues to be the availability of sufficient numbers of volunteers with appropriate skill sets. On the downside, a lack of volunteers would restrict our ability to offer the services we currently provide. There is also a risk that we are unable to capitalize on new opportunities that arise.
- Dependency on key members of staff: with a full complement of staff the focus has been on developing new staff to improve our operating resilience.
- As our building ages there is an increasing risk of unforeseen repair and maintenance costs: we have in place regular maintenance schedules and activity.
- A key element in the management of financial risk is the setting of the reserves policy and its regular review by Trustees.
- The trust put in the volunteers who handle cash has been identified as an acceptable risk by the Trustees.

Covid-19 Risk Management:

The global pandemic and regulations introduced required a concerted effort to allow the venue to remain open during periods when this was permitted. A full Covid Secure Risk Assessment was undertaken for every aspect of the operation of Number 8 and Just After 8 charity shop and a full programme of measures was introduced. These included:

- Screens at all serving areas and counters
- Hand sanitizer stations at every entrance, outside toilets, and at all work spaces
- Greatly reduced auditorium, coffee bar, and Courtyard Room capacity. Revised booking procedures for events. Alternate rows left empty and unused seats covered
- Revised working practices across all areas of business
- Extensive training of staff and volunteers
- Face shields provided for all public facing volunteers and staff

STRUCTURE, GOVERNANCE AND MANAGEMENT

Number 8 is a Company Limited by Guarantee and a Registered Charity, managed by a Board of Trustees, who meet quarterly each year.

Registered Company number (England & Wales) 04266321

Registered Charity number 1089301

Registered Office and place of business 8 High Street, Pershore, Worcs. WR10 1BG

Recruitment and appointment of new Trustees

The Chairman of the Board is elected by the Board of Trustees and, consistent with other Trustees, retires after a period of 3 years. Retiring Trustees may be re-elected with the consent of the remaining Trustees.

During 2020, there were no changes to the Board of Trustees.

At the end of 2020, Number 8 had thirteen Trustees each of whom agree to contribute £5 in event of the charity winding up.

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Report of the Trustees for the Year Ended 31 December 2020

Induction and training of new Trustees

New Trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision-making processes, the business plan and recent financial performance of the charity. During the induction day they will meet key staff members and other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Executive

The Company has an Executive Committee with delegated powers to manage the day to day running of the business and financial affairs of the company. The Executive is chaired by the Chair of Trustees and includes a mix of trustees, volunteers and senior paid staff.

The Executive meets monthly and their deliberations are minuted and available to Board members. The Executive reports in detail to the Board quarterly.

Staff

The staff team is appointed by the Board of Trustees and totals 7, 3 of whom are part-time. They manage the programming, marketing, operational, financial and administrative activities of Number 8. They are supported by volunteers.

Volunteers

In 2020, there were approximately 230 volunteers, working within every part of Number 8's activities. Volunteer managers of the box office, bar, coffee bar, front of house and charity shop meet monthly to discuss the day to day needs, suggestions and problems of these departments. The recommendations from this management team are then considered by the Executive and implemented as appropriate.

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

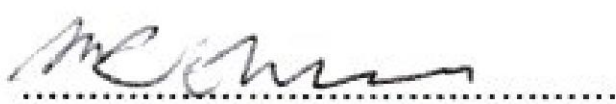
M A Rowley	Executive Director - Chair
C J Tooth	Executive Director – Finance
J Daniels	Executive Director – Arts
P Osborn	Executive Director – Volunteer Coordinator
K Goddard MBE	Executive Director
M Amies BEM	
R Partridge	
S M Booth	
M J Hodges	
E Honeybunn	
K Walton	
M Pawsey	
M Ward	Wychavon District Council representative

Independent examiner

Attwoods, Perrott House, 17 Bridge Street Pershore Worcestershire WR10 1AJ

Approved by order of the Board of Trustees on27/5/21.....

Signed on behalf of the Board by:



M A Rowley – Chair of Trustees

**Independent Examiner's Report to the Trustees of
Number 8**

Independent examiner's report to the trustees of Number 8 ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCCA 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 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.

Lucy Edwards
FCCA
Attwoods
Perrott House
17 Bridge Street
Pershore
Worcestershire
WR10 1AJ

Date:

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Statement of Financial Activities
for the Year Ended 31 December 2020

	Notes	Unrestricted funds £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	123,579	-	123,579	18,416
Other trading activities	3	208,450	-	208,450	571,585
Investment income	4	<u>727</u>	<u>-</u>	<u>727</u>	<u>1,394</u>
Total		332,756	-	332,756	591,395
 EXPENDITURE ON					
Raising funds	5	<u>373,100</u>	<u>-</u>	<u>373,100</u>	<u>560,908</u>
NET INCOME/(EXPENDITURE)		(40,344)	-	(40,344)	30,487
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>2,174,279</u>	<u>-</u>	<u>2,174,279</u>	<u>2,143,792</u>
TOTAL FUNDS CARRIED FORWARD		<u>2,133,935</u>	<u>-</u>	<u>2,133,935</u>	<u>2,174,279</u>

The notes form part of these financial statements

Number 8

Balance Sheet
31 December 2020

	Notes	Unrestricted funds £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
FIXED ASSETS					
Tangible assets	11	1,760,745	-	1,760,745	1,810,273
CURRENT ASSETS					
Stocks	12	1,304	-	1,304	4,788
Debtors	13	14,675	-	14,675	19,118
Cash at bank and in hand		<u>394,901</u>	<u>-</u>	<u>394,901</u>	<u>446,007</u>
		410,880	-	410,880	469,913
CREDITORS					
Amounts falling due within one year	14	(37,690)	-	(37,690)	(105,907)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CURRENT ASSETS		<u>373,190</u>	<u>-</u>	<u>373,190</u>	<u>364,006</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,133,935</u>	<u>-</u>	<u>2,133,935</u>	<u>2,174,279</u>
NET ASSETS		<u>2,133,935</u>	<u>-</u>	<u>2,133,935</u>	<u>2,174,279</u>
FUNDS	15				
Unrestricted funds				<u>2,133,935</u>	<u>2,174,279</u>
TOTAL FUNDS				<u>2,133,935</u>	<u>2,174,279</u>

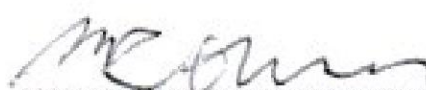
The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.


The financial statements were approved by the Board of Trustees and authorised for issue on 27/5/21 and were signed on its behalf by:


.....
M A Rowley - Trustee

The notes form part of these financial statements

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Balance Sheet - continued
31 December 2020



.....
C J Tooth - Trustee

The notes form part of these financial statements

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Cash Flow Statement
for the Year Ended 31 December 2020

	Notes	31.12.20 £	31.12.19 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(51,833)</u>	<u>99,480</u>
Net cash (used in)/provided by operating activities		<u>(51,833)</u>	<u>99,480</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		-	(66,823)
Sale of tangible fixed assets		-	2,598
Interest received		<u>727</u>	<u>1,394</u>
Net cash provided by/(used in) investing activities		<u>727</u>	<u>(62,831)</u>
 Change in cash and cash equivalents in the reporting period		 (51,106)	 36,649
Cash and cash equivalents at the beginning of the reporting period		<u>446,007</u>	<u>409,358</u>
 Cash and cash equivalents at the end of the reporting period		 <u>394,901</u>	 <u>446,007</u>

The notes form part of these financial statements

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Notes to the Cash Flow Statement
for the Year Ended 31 December 2020

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.20	31.12.19
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(40,344)	30,487
Adjustments for:		
Depreciation charges	49,528	53,679
Interest received	(727)	(1,394)
Decrease/(increase) in stocks	3,484	(1,644)
Decrease in debtors	4,443	10,381
(Decrease)/increase in creditors	<u>(68,217)</u>	<u>7,971</u>
Net cash (used in)/provided by operations	<u>(51,833)</u>	<u>99,480</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
Net cash			
Cash at bank and in hand	<u>446,007</u>	<u>(51,106)</u>	<u>394,901</u>
	<u>446,007</u>	<u>(51,106)</u>	<u>394,901</u>
Total	<u>446,007</u>	<u>(51,106)</u>	<u>394,901</u>

The notes form part of these financial statements

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Notes to the Financial Statements for the Year Ended 31 December 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the Charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

All income (including voluntary donations) is allocated to the general fund unless otherwise restricted by donor or specifically designated by the Trustees.

Restricted funds are funds which the donor specifically restricted the purpose for which they can be used. The amount in these funds represents the monies still available for future expenditure.

Designated funds are funds that the Trustees have specifically designated the purpose for which they can be applied. The amount in these funds represents the monies still available for future expenditure.

General funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Costs of generating funds are the costs directly attributable to raising funds.

The income from fundraising ventures is shown gross, with the associated costs included within fundraising costs.

Charitable expenditure includes all costs directly relating to the objective of the charity and the costs involved in supporting that work.

Management and administration costs include those costs connected with management of the charity's assets, organisational management and administration and compliance with constitutional and statutory requirements.

Expenditure on management and administration of the charity includes all expenditure not directly related to the charitable activity of fundraising ventures. This also includes legal, independent examination fees and certain trust secretarial expenses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long term fixtures	- Straight line over 25 years
Refurbishments	- Straight line over 15 years
Leasehold improvements	- 1% on cost
Digital/sound & office equipment	- 20% on cost
Furniture & fixtures	- 25% on reducing balance and at varying rates on cost

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

1. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The Charity charitable company operates a defined contribution pension scheme. Contributions payable to the Charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Grants received

Grants received are included in incoming resources when they are received.

Donations

Donations received are included in incoming resources when they are received.

2. DONATIONS AND LEGACIES

	31.12.20	31.12.19
	£	£
Donations	31,441	17,591
Grants	<u>92,138</u>	<u>825</u>
	<u><u>123,579</u></u>	<u><u>18,416</u></u>

Grants received, included in the above, are as follows:

	31.12.20	31.12.19
	£	£
Wychavon District Council	34,366	-
Government Grant	57,772	-
Other grants	<u>-</u>	<u>825</u>
	<u><u>92,138</u></u>	<u><u>825</u></u>

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Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

3. OTHER TRADING ACTIVITIES

	31.12.20	31.12.19
	£	£
Charity shop income	23,833	36,717
Catering	39,699	134,858
Films, box office & live event	107,833	315,362
Children's activities	-	200
Youth theatre	1,856	5,491
Space hire	11,336	35,031
Film/brochure advertising	3,693	7,086
Exhibition hire and commission	1,047	2,296
Workshops	10,336	22,959
Merchandising and voucher sale	8,817	9,799
Technical support	-	1,786
	<u>208,450</u>	<u>571,585</u>

4. INVESTMENT INCOME

	31.12.20	31.12.19
	£	£
Deposit account interest	<u>727</u>	<u>1,394</u>

5. RAISING FUNDS

Other trading activities

	31.12.20	31.12.19
	£	£
Opening stock	4,788	3,144
Purchases	70,963	196,252
Closing stock	(1,304)	(4,788)
Catering	14,413	51,382
Charity shop expenses	12,808	13,245
Arts project costs	300	1,122
Support costs	<u>271,132</u>	<u>300,551</u>
	<u>373,100</u>	<u>560,908</u>

Number 8

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

6. SUPPORT COSTS

	Management £	Finance £	Totals £
Other trading activities	<u>263,092</u>	<u>8,040</u>	<u>271,132</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.20 £	31.12.19 £
Depreciation - owned assets	<u>49,528</u>	<u>53,679</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

9. STAFF COSTS

	31.12.20 £	31.12.19 £
Wages and salaries	143,095	140,285
Social security costs	7,507	7,896
Other pension costs	<u>2,404</u>	<u>2,425</u>
	<u>153,006</u>	<u>150,606</u>

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

31.12.20	31.12.19
<u>7</u>	<u>7</u>

No employees received emoluments in excess of £60,000.

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Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	18,416	-	18,416
Other trading activities	571,585	-	571,585
Investment income	<u>1,394</u>	<u>-</u>	<u>1,394</u>
Total	591,395	-	591,395
 EXPENDITURE ON			
Raising funds	<u>560,908</u>	<u>-</u>	<u>560,908</u>
 NET INCOME	30,487	-	30,487
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>2,143,792</u>	<u>-</u>	<u>2,143,792</u>
 TOTAL FUNDS CARRIED FORWARD	<u><u>2,174,279</u></u>	<u><u>-</u></u>	<u><u>2,174,279</u></u>

11. TANGIBLE FIXED ASSETS

	Long term fixtures £	Refurbishments £	Leasehold improvements £
COST			
At 1 January 2020 and 31 December 2020	<u>27,570</u>	<u>108,307</u>	<u>1,907,233</u>
 DEPRECIATION			
At 1 January 2020	1,103	21,002	285,837
Charge for year	<u>1,103</u>	<u>7,221</u>	<u>19,264</u>
 At 31 December 2020	<u>2,206</u>	<u>28,223</u>	<u>305,101</u>
 NET BOOK VALUE			
At 31 December 2020	<u><u>25,364</u></u>	<u><u>80,084</u></u>	<u><u>1,602,132</u></u>
 At 31 December 2019	<u><u>26,467</u></u>	<u><u>87,305</u></u>	<u><u>1,621,396</u></u>

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Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

11. TANGIBLE FIXED ASSETS - continued

	Digital/sound & office equipment £	Furniture & fixtures £	Totals £
COST			
At 1 January 2020 and 31 December 2020	<u>47,400</u>	<u>246,852</u>	<u>2,337,362</u>
DEPRECIATION			
At 1 January 2020	22,133	197,014	527,089
Charge for year	<u>9,480</u>	<u>12,460</u>	<u>49,528</u>
At 31 December 2020	<u>31,613</u>	<u>209,474</u>	<u>576,617</u>
NET BOOK VALUE			
At 31 December 2020	<u>15,787</u>	<u>37,378</u>	<u>1,760,745</u>
At 31 December 2019	<u>25,267</u>	<u>49,838</u>	<u>1,810,273</u>

12. STOCKS

	31.12.20 £	31.12.19 £
Stocks	<u>1,304</u>	<u>4,788</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20 £	31.12.19 £
Trade debtors	156	6,236
Other debtors	1,840	450
VAT	1,715	-
Prepayments	<u>10,964</u>	<u>12,432</u>
	<u>14,675</u>	<u>19,118</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20 £	31.12.19 £
Trade creditors	4,655	20,431
Social security and other taxes	-	2,852
VAT	-	10,249
Other creditors	1,515	-
Event hire holding account	72	4,415
Gallery/craft holding account	-	151
Deferred income	22,321	49,084
Accrued expenses	<u>9,127</u>	<u>18,725</u>
	<u>37,690</u>	<u>105,907</u>

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Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

15. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	2,174,279	(40,344)	2,133,935
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,174,279</u>	<u>(40,344)</u>	<u>2,133,935</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	332,756	(373,100)	(40,344)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>332,756</u>	<u>(373,100)</u>	<u>(40,344)</u>

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	2,143,792	30,487	2,174,279
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,143,792</u>	<u>30,487</u>	<u>2,174,279</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	591,395	(560,908)	30,487
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>591,395</u>	<u>(560,908)</u>	<u>30,487</u>

Number 8

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

15. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	2,143,792	(9,857)	2,133,935
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,143,792</u>	<u>(9,857)</u>	<u>2,133,935</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	924,151	(934,008)	(9,857)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>924,151</u>	<u>(934,008)</u>	<u>(9,857)</u>

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2020.