

EPIC ARTS

England & Wales · Charity number 1091059

Details

Status Registered

Legal form Charitable company

Company number [04273231](#)

Registered 2002-03-12

Register [View on the Charity Commission register](#)

Contact

Address 17 Carmichael Mews
London
SW18 3HH

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Website www.epicarts.org.uk

Activities

Objects: THE OBJECTS FOR WHICH THE COMPANY IS ESTABLISHED (THE "OBJECTS") ARE:-1. TO PROMOTE EDUCATION AND IN PARTICULAR (BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING) IN ART AND DRAMA; AND2. TO RELIEVE AND BENEFIT THOSE SUFFERING FROM A PHYSICAL OR MENTAL DISABILITY; AND "PROVIDED ALWAYS THAT IN FURTHERING THESE OBJECTS THE CHARITY SHALL HAVE REGARD TO THE TENETS OF THE CHRISTIAN FAITH."

Activities: EPIC ARTS IS AN INCLUSIVE ORGANISATION THAT RUNS ARTS AND EDUCATIONAL PROGRAMMES FOR DISABLED AND DISADVANTAGED CHILDREN AND YOUNG ADULTS IN CAMBODIA. IT ALSO DEVELOPS AND RUNS INCLUSIVE AND SUSTAINABLE SOCIAL ENTERPRISES.

Classification

- **How:** Provides Services
- **What:** Education/training, Disability, Arts/culture/heritage/science, Economic/community Development/employment
- **Who:** Children/young People, People With Disabilities, The General Public/mankind

Geography

- **Area of benefit:** WORLDWIDE
- Cambodia

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£371,657	£317,786	-	-
2023-12-31	£375,219	£403,184	-	-
2022-12-31	£280,656	£315,483	-	-
2021-12-31	£147,026	£205,760	-	-
2020-12-31	£198,544	£230,590	-	-

Trustees

Name	Role	Appointed
Dermot Trimble	Chair	
Alexandra Kate Goad		2022-12-08
Gouri Kubair		2022-03-01
Lavinia Davolio		2018-10-18

Accounts

**EPIC ARTS
REPORT AND ACCOUNTS FOR THE YEAR
ENDED 31 DECEMBER 2024**

Charity number: 1091059
Company number: 04273231

EPIC ARTS
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EPIC ARTS
COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2024

Directors and Trustees	L Davolio D Trimble G Kubair A Goad
Company Secretary	D Trimble
Key Staff	S Onn (Chief Executive Officer) A Evans (Development Director) O Buntheng (Operations Manager) K Coogan (HR & Finance Management Advisor) N Kakada (Program Director)
Governing Document	Memorandum and Articles of Association dated February 2002
Company Registration Number	04273231
Charity Registration Number	1091059
Registered Office	17 Carmichael Mews London England SW18 3HH
Principal Address	Epic Arts Sovann Sakor Kompong Kandal Kampot Cambodia
Independent Examiner	Brindley Goldstein Chartered Accountants 103 High Street Waltham Cross Hertfordshire EN8 7AN
Bankers	The Co-Operative Bank ACLEDA Bank (Cambodia)

**EPIC ARTS
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2024**

The directors, who are the charity's trustees for the purpose of charity law, have pleasure in submitting the Report and Accounts for the year.

Objects of the charity

The charity is a charitable company and is governed by its memorandum and articles of association. The objects of the charity, as set out in the governing document, are:

- a) to promote education, and in particular art and drama
- b) to relieve and benefit those suffering from a physical and mental disability;

In each case, primarily by provision of high-quality arts programmes designed to involve people of all abilities and disabilities anywhere in the world, always, that in furthering these objects, the charity shall have regard to the tenets of the Christian faith.

Summary of the charity's main activities and achievements

Epic Arts provides arts, educational and community programmes for children and young adults with physical and learning disabilities. We have a number of social enterprises which promote and celebrate diversity and inclusion. Our work provides tools for personal transformation and helps change societal attitudes towards disability and inclusion. Our activities are based in Kampot, Cambodia.

Epic Arts strongly engages with our local, national and international communities through our creativity, educational programmes and social enterprises.

In 2024, our Special Education Project (SEP) has continued to develop in important directions. The SEP empowers and educates children and young people with disabilities (ages 3-30) to live independent lives and thrive within society. We offer no-cost creative and education programmes focusing on literacy, numeracy, independent living skills and confidence-building arts and dance. Every week, our team transports over 70 students to the Epic Arts Centre and to classes within public schools. We also work with parents to help create a supportive and protected environment at home and within families' wider communities.

Our SEP teachers have trained public school educators on inclusive education and strategies for working with children and young adults with learning disabilities. Additionally, we partner with public schools to enhance or build inclusive infrastructure, ensuring full access for students with disabilities. We collaborate closely with the Cambodian Ministry of Education, which significantly leverages our influence over public education policies for sustainable, inclusive education.

Activity in our social enterprises has increased in 2024. These enterprises are a vital interface between Epic Arts' educational and training programmes and our promotion of

equality and diversity. In providing work opportunities for people with disabilities, they are the visible and tangible expression of inclusion in a country where opportunities for people with disabilities are limited. Epic Arts Café, which started in 2006, attracts a growing number of customers by serving delicious food in a friendly environment. Our team of 16 staff includes 11 with disabilities. Epic Arts Dance has also seen an increase in their activity as more national and international events and bookings have opened up. Our team of 9 dancers includes 7 with disabilities.

For Epic Arts as a whole, of the 43 staff we employed in 2024, over half either have a disability or are caregivers of children with a disability.

Epic Arts' community-based programmes range from organising art workshops with local artists to supporting government social workers and police with child protection cases. Our community outreach programme promotes disability awareness and inclusion through a range of events and services. Many families view disabled children as a burden and do not invest time or money in their upbringing. Our programmes seek to change this mindset and address the issues our students face at home and in their local communities.

Our involvement in ChildSafe –which aims to protect children in Kampot through its safeguarding structures and advocating for more robust protection measures – continues to strengthen our community links and our relationship with local government. Our social work team operate the Kampot ChildSafe Emergency Hotline. Every month, around 40 vulnerable individuals and families, including children with disabilities, call the hotline. In 2024, our team was involved in over 450 support cases. Through this work, we are increasingly being seen as a valued and reliable partner with strong roots in the community.

The board is enormously proud of and grateful to the staff and students of Epic Arts. Throughout 2024, they continued to adapt to changing circumstances while upholding our values, which are at the heart of all that we do.

In planning Epic Arts' activities, the directors have had regard to the guidance issued by the Charity Commission in December 2008 on public benefit.

Structure, governance and management

The policies and strategic decisions of the charity, and the monitoring of their implementation, rest with the board of directors, which met four times in 2024.

Financial review

The board is enormously grateful for the continued support, investment and generosity of a wide range of donors. In particular, we greatly appreciated the way donors have continued to be flexible in the use of some of their funding.

Throughout this period, the board and senior management worked closely together, including the careful monitoring and reporting of emerging risks, our cash flow and the overall financial position.

Since 13 May 2024, the café and Creations shop have been registered as a separate legal entity in Cambodia, as required by the Cambodian tax authorities. Income and expenses are included in the 2024 Accounts up to May 12. There is a formal agreement with the new entity that net profits will continue to be transferred to Epic Arts. There will be no loss of income for Epic Arts because of this new arrangement

Epic Arts' finances strengthened in 2024. Total income was broadly stable at £371,657 (2023: £375,219). Our expenses totalled £317,786 (2023: £403,184). This reduction in expenses resulted in a significant turnaround in our financial position with a net surplus of £53,872 [2023: (£27,965)].

At 31 December 2024, Epic Arts held £78,050 in bank accounts (2023: £47,827). Our net assets were £97,980 (2023: £44,108). This improved position has strengthened our financial sustainability and resilience and will help mitigate future financial risks.

Because our work in Cambodia is US dollar-based, we are generally exposed to modest foreign exchange gains and losses; in 2024, there was a loss of £631.

Key risks and plans for the future

The directors review regularly the risks to which a UK-registered charity operating in Cambodia is exposed and are fully committed to ensuring appropriate procedures and mitigation policies are in place.

A vital part of our strategy is building up and growing our social enterprises in order to generate more of our own income. This is the most flexible form of income for a charity of our size and will enable us to expand those areas of our vision – particularly in relation to arts and performance-related programmes – that are outside the funding scope of many donors. Expanding the reach and visibility of these enterprises is a vital part of spreading our core values of inclusion and diversity.

The board and staff of Epic Arts are looking to the future with vision and energy. Our plans and strategy for the future will help ensure Epic Arts remains financially viable and able to meet the challenges of 2026.

Responsibilities of directors under company law

The directors 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 directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the directors are required to:

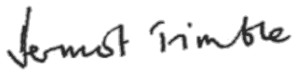
1. Select suitable accounting policies and apply them consistently;
2. Observe the methods and principles in the Charities SORP;
3. Make judgements and estimates that are reasonable and prudent;

4. State whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Approval

This report was approved by the directors on 17 September..... 2025 and signed on their behalf by:

A handwritten signature in black ink that reads "Dermot Trimble". The signature is written in a cursive, slightly slanted style.

DERMOT TRIMBLE

**EPIC ARTS
INDEPENDENT EXAMINER'S REPORT**

I report to the trustees on my examination of the financial statements of Epic Arts ('the charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet and related notes. This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Respective responsibilities of the trustees and examiner

The charity's trustees are responsible for the preparation of financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ('the 2011 Act') and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales. Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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

Independent examiner's statement

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

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content

of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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



C H Goldstein FCA

For and on behalf of Brindley Goldstein Chartered Accountants

Date: 17/09/25

EPIC ARTS

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	54,852	190,966	245,819	223,237
Charitable activities	4	74,342	-	74,342	139,553
Other income	5	49,198	-	49,198	11,624
Recovery of funds	21	2,298	-	2,298	804
Total income and endowments		<u>180,691</u>	<u>190,966</u>	<u>371,657</u>	<u>375,219</u>
EXPENDITURE ON:					
Charitable activities	6	121,420	186,430	307,850	403,184
Raising funds	7	9,936	-	9,936	-
Total expenditure		<u>131,356</u>	<u>186,430</u>	<u>317,786</u>	<u>403,184</u>
Net gains/(losses) on investments		-	-	-	-
Net profit/(loss)		<u>49,336</u>	<u>4,537</u>	<u>53,872</u>	<u>(27,965)</u>
Net movement in funds		<u>49,336</u>	<u>4,537</u>	<u>53,872</u>	<u>(27,965)</u>
Reconciliation of funds:					
Total funds brought forward		<u>10,169</u>	<u>33,939</u>	<u>44,108</u>	<u>72,073</u>
Total funds carried forward	17	<u>59,505</u>	<u>38,476</u>	<u>97,980</u>	<u>44,108</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account required by the Companies Act 2006.

EPIC ARTS
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
FIXED ASSETS					
Tangible assets	10	1,907	-	1,907	-
		<u>1,907</u>	<u>-</u>	<u>1,907</u>	<u>-</u>
CURRENT ASSETS					
Stock	11	-	-	-	1,461
Debtors	12	21,854	-	21,854	4,330
Cash at bank and in hand	13	39,574	38,476	78,050	47,827
		<u>61,428</u>	<u>38,476</u>	<u>99,904</u>	<u>53,618</u>
CREDITORS: Amounts falling due within one year	14	3,830	-	3,830	9,510
		<u>3,830</u>	<u>-</u>	<u>3,830</u>	<u>9,510</u>
Net current assets / (liabilities)		<u>57,598</u>	<u>38,476</u>	<u>96,073</u>	<u>44,108</u>
Total assets less current liabilities		<u>59,505</u>	<u>38,476</u>	<u>97,980</u>	<u>44,108</u>
Net assets / (liabilities)		<u>59,505</u>	<u>38,476</u>	<u>97,980</u>	<u>44,108</u>
TOTAL NET ASSETS		<u>59,505</u>	<u>38,476</u>	<u>97,980</u>	<u>44,108</u>
FUND BALANCES					
Unrestricted Funds					
General funds		59,505	-	59,505	10,169
		<u>59,505</u>	<u>-</u>	<u>59,505</u>	<u>10,169</u>
Restricted Funds		-	38,476	38,476	33,939
		<u>59,505</u>	<u>38,476</u>	<u>97,980</u>	<u>44,108</u>

EPIC ARTS

BALANCE SHEET (Continued)

AS AT 31 DECEMBER 2024

Under the Companies Act 2006, s454, on a voluntary basis, the trustees can amend these financial statements if they subsequently prove to be defective.

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2024.

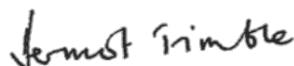
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2024 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The directors (who are the charitable company's trustees for the purposes of charity law) acknowledge their responsibilities for:

- (a) ensuring that the charitable company keeps accounting records which 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 net income or expenditure 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 have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 17 September and were signed on its behalf by:


DERMOT TRIMBLE


GOURI KUBAIR

Company number: 4273231
Charity number: 1091059

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP")", with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities, services and goods. Goods donated for distribution to beneficiaries are recognised as income when receivable at fair value (being an estimate of the amount it would cost to purchase those items). Facilities, services and goods donated for the charity's own use are recognised as income when receivable at their value to the charity.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. At the year end any goods that have not been distributed or consumed are recognised as stock; donated fixed assets are capitalised.

- iii) Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from the charity's social enterprises: Creations shop, cafe and the dance group Epic Encounters.

Other income includes rental income.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The cost of raising funds is not significant and has not been separately disclosed.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Motor vehicles	Over 4 years on a 25% straight line basis
Equipment	Over 4 years on a 25% straight line basis

Property purchase and improvements undertaken in Cambodia are treated as an expense in the year the expenditure is incurred since, under Cambodian law, property is not owned by the charity. Any expenditure is separately detailed in note 6.

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Stocks:

Stocks of goods purchased for re-sale are stated at the lower of cost and net realisable value.

g) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no UK tax is payable on the charity's income.

h) Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as financial assets or financial liabilities. The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial, in which case they are stated at cost (less impairment where appropriate).

i) Foreign Currency Translation

These financial statements are presented in sterling. The charity's functional currency is US Dollar.

- i) Income and expenditure denominated in a foreign currency is translated into sterling at the average annual exchange rate.
- ii) Monetary assets and liabilities denominated in a foreign currency are re-translated at the exchange rate prevailing at the balance sheet date.
- iii) Non-monetary assets are measured at historic cost at the rate of exchange prevailing on the date of the transaction and are not subsequently re-translated.

All differences arising from the application of the above policy are charged (or credited) to the Statement of Financial Activities.

j) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

k) Critical accounting estimates and areas of judgement

The trustees do not consider that there any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 **Donations and legacies**

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Donations of cash and similar	48,362	-	48,362	37,727
Other grants receivable	6,491	190,966	197,457	185,510
	<u>54,852</u>	<u>190,966</u>	<u>245,819</u>	<u>223,237</u>

4 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Café sales (to 12 May 2024)	52,685	-	52,685	107,805
Shop sales (to 12 May 2024)	1,642	-	1,642	8,995
Workshops & Events	20,015	-	20,015	22,753
	<u>74,342</u>	<u>-</u>	<u>74,342</u>	<u>139,553</u>

5 Other income

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Fundraising income	30,413	-	30,413	
Other income	21,084	-	21,084	12,428
	<u>51,496</u>	<u>-</u>	<u>51,496</u>	<u>12,428</u>

6 Charitable expenditure

	UK £	Cambodia £	Total 2024 £	Total 2023 £
a Costs incurred directly on specific activities				
Project costs and related staff costs	11,073	212,692	223,765	222,502
Café and related staff costs	-	38,174	38,174	104,087
Shop	-	1,382	1,382	3,994
Rent and rates	-	1,439	1,439	6,897
	<u>11,073</u>	<u>253,687</u>	<u>264,760</u>	<u>337,481</u>
b Costs incurred on support & administration				
Governance costs				
Cost of accounts preparation & independent examination	(190)	-	(190)	45
Board meeting costs	-	-	-	-
	<u>(190)</u>	<u>-</u>	<u>(190)</u>	<u>45</u>
Core office running costs	595	11,935	12,530	35,666
Office equipment costs		7,002	7,002	14,335
Exchange differences		(631)	(631)	4,324
Depreciation of tangible fixed assets		134	134	320
Repairs and maintenance		9,054	9,054	5,331
Office utility costs		12,555	12,555	4,092
Legal and professional		1,238	1,238	-
Telephone and internet		1,070	1,070	1,214
Bank charges and fees	-	326	326	376
	<u>405</u>	<u>42,685</u>	<u>43,090</u>	<u>65,703</u>
Total expenditure	<u>11,478</u>	<u>296,372</u>	<u>307,850</u>	<u>403,184</u>

7 Cost of raising funds

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Fundraising costs	9,936	-	9,936	-
	<u>9,936</u>	<u>-</u>	<u>9,936</u>	<u>-</u>

8 Theft of funds

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Theft of funds (see Note 21)	-	-	-	-
Less amount returned	(2,298)	-	(2,298)	(804)
	<u>(2,298)</u>	<u>-</u>	<u>(2,298)</u>	<u>(804)</u>

9 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

	2024 £	2023 £
Gross wages and salaries (and social security costs)	168,108	214,954
	<u>168,108</u>	<u>214,954</u>

The average monthly number of employees during the year was 43 (2023: 55).

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees and the key staff named on the Company Information page. Total employment benefits payable to key management for the year were as follows:

	2024 £	2023 £
Key management connected to trustees:		
Other (non-trustee) members of key management	45,932	43,398
	<u>45,932</u>	<u>43,398</u>

No trustees received employment benefits in either the current or preceding year.

10 Tangible fixed assets

	Fixtures, fittings and equipment £	Motor Vehicles £	Total 2024 £
Cost			
At 1 January 2024	5,539	8,591	14,130
Additions	-	2,041	2,041
At 31 December 2024	<u>5,539</u>	<u>10,632</u>	<u>16,172</u>
Accumulated depreciation			
At 1 January 2024	5,539	8,591	14,130
Charge for the year	-	134	134
At 31 December 2024	<u>5,539</u>	<u>8,725</u>	<u>14,265</u>
Net book value			
At 31 December 2024	<u>-</u>	<u>1,907</u>	<u>1,907</u>
At 31 December 2023	<u>-</u>	<u>-</u>	<u>320</u>

11 Stock

Since 13 May 2024 the Epic Arts Café has been a separate registered entity so there was no stock on hand for Epic Arts at 31 December 2024.

	£	£
Purchased for re-sale, at cost	-	1,461
	<u>-</u>	<u>1,461</u>

		15	
12 Debtors		2024	2023
		£	£
Falling due within one year:			
Donations Receivable from Epic Cafe		9,610	
Other debtors		10,568	2,160
Outstanding Advances to staff		1,507	-
Prepayments and accrued income		169	2,170
Total debtors		21,854	4,330

13 Cash at Bank and in Hand		2024	2023
		£	£
Cash at Bank - UK		39,815	18,708
Cash at Bank and in hand - Overseas		38,236	29,119
		78,050	47,827

14 Creditors: liabilities falling due within one year		2024	2023
		£	£
Other creditors		1,382	3,928
Accruals		2,447	3,523
Deferred income		-	2,059
		3,830	9,510

15 Deferred income		2024	2023
Deferred income comprises the following:		£	£
Balance at the beginning of the reporting period		2,059	40,058
Amount released to income		(2,059)	(40,058)
Amount deferred in year		-	2,059
Balance at the end of the reporting period		-	2,059
The income deferred at the period end will be released to income over the following periods:			
Within one year		-	2,059
		-	2,059

The balance on deferred income represents performance-related grant monies, and contractual monies, being received in advance of the conditions controlling entitlement being fulfilled.

16 Pension commitments	
There are no employer pension costs for Cambodian staff. There are payments made monthly for workers compensation and medical insurance.	

17 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2024 £	Incoming resources 2024 £	Outgoing resources 2024 £	Transfers in the year 2024 £	Closing balance 2024 £
<i>General Unrestricted Funds</i>	10,169	180,691	(131,356)	-	59,505
Total Unrestricted Funds	10,169	180,691	(131,356)	-	59,505
<i>Restricted Funds</i>					
Café Building Project	17,459			-	17,459
World Childhood Foundation	5,011		(1,071)	-	3,940
FELM	2,165	106,191	(99,397)	-	8,959
Caritas	7,575	81,798	(81,796)	-	7,578
UNDP (CCC)	1,170	(1,170)	-	-	-
Friends International	559	2,443	(3,002)	-	-
Local Fundraising for Community Support	-	1,703	(1,163)	-	540
	33,939	190,966	(186,430)	-	38,476
Aggregate of funds	44,108	371,657	(317,786)	-	97,980

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			
	General funds £	Designated funds £	Restricted funds £	2024 £
Fixed assets	1,907	-	-	1,907
Stock	-	-	-	-
Debtors	21,854	-	-	21,854
Cash at bank and in hand	39,574	-	38,476	78,050
Current liabilities	(3,830)	-	-	(3,830)
	59,505	-	38,476	97,980

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2023 £	Incoming resources 2023 £	Outgoing resources 2023 £	Transfers in the year 2023 £	Closing balance 2023 £
<i>General Unrestricted Funds</i>	16,715	230,570	(237,116)	-	10,169
Total Unrestricted Funds	16,715	230,570	(237,116)	-	10,169
<i>Restricted Funds</i>					
Café Building Project	28,818	-	(11,359)	-	17,459
Inclusive Education Programme	21,807	884	(22,692)	-	-
World Childhood Foundation	3,884	18,695	(17,568)	-	5,011
FELM	-	63,826	(61,661)	-	2,165
Caritas	-	24,672	(17,096)	-	7,575
UNDP (CCC)	-	18,742	(17,572)	-	1,170
Friends International	849	17,829	(18,120)	-	559
	55,358	144,648	(166,068)	-	33,939
Aggregate of funds	72,073	375,218	(403,184)	-	44,108

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			
	General funds £	Designated funds £	Restricted funds £	2023 £
Fixed assets	-	-	-	-
Stock	1,461	-	-	1,461
Debtors	4,330	-	-	4,330
Cash at bank and in hand	13,888	-	33,939	47,827
Current liabilities	(9,510)	-	-	(9,510)
	10,169	-	33,939	44,108

The purposes of the restricted funds are as follows:

Café Building Project

Money donated towards the planning, purchase and development of a new café building in Cambodia.

Inclusive Education Programme

These programmes provide high-quality, creative and inclusive educational opportunities for children and young people of all abilities.

World Childhood Foundation

Funding to enable Epic Arts to address child protection issues in Kampot..

FELM and Caritas

Funding to support inclusive education programs

UNDP - CCC

Networking and support for NGOs operating in Kampot

Friends International

Funding provided by UNICEF to support community projects

Local Fundraising for Community Support

Fundraising events held in Kampot to provide community support not covered by donors

18 Operating lease commitments

Since 13 May 2024 the Epic Arts Café has been a separate registered entity so there are no operating lease commitments for Epic Arts at 31 December 2024.

	2024 £	2023 £
Payments falling due:		
Within one year	-	1,900
Between one and five years	-	-
	<u>-</u>	<u>1,900</u>

During the year the charity was charged £1,376 (2023: £3,495) for its operating lease (translated at average annual rates).

19 Transactions with related parties

During the year the charity:

- a) received donations totalling £6,560 (2023: £1,560) from related parties (which includes trustees, anyone closely connected to them and key management).
- b) paid expenses totalling £Nil (2023: £Nil) for the trustee board for costs incurred whilst carrying out duties associated with being trustees; reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee are not included in this disclosure.

20 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.

21 Recovery of funds

As noted in the 2018 Report and Accounts, the charity became aware in June 2019 of an internal fraud in the Cambodian operation which had been perpetrated since 2013, resulting in £74,569 of cafe takings (all in the general fund) having been misappropriated. At 31 December 2024 all of the stolen funds have been reimbursed. The table below shows the periods in which the fraud occurred, and to which the reimbursements relate:

	Amount stolen £	Amount reimbursed £	Net expense £
2013-2016	38,175	(31,277)	6,898
2017	7,697	(7,697)	-
2018	14,806	(14,806)	-
2019	13,891	(13,891)	-
2020	-	(1,566)	(1,566)
2021	-	(1,452)	(1,452)
2022	-	(800)	(800)
2023	-	(782)	(782)
2024	-	(2,298)	(2,298)
Total as at 31 December 2024	<u>74,569</u>	<u>(74,569)</u>	<u>0</u>

The opening balances for 2018 have been restated as shown in Note 17, and the comparatives presented in these accounts have been re-stated so that they reflect the costs associated with this fraud. A reconciliation with the reserves and results reported previously is as follows:

Allocation of funds recovered

	2024 £	2023 £
Reimbursed	2,298	782
Recovery of funds - Income in year	<u>2,298</u>	<u>782</u>

22 Transfer of Net Assets to Epic Arts Café

Epic Arts Café was registered as a separate business entity from 13 May 2024. Net income from the Café and Creations shop to 12 May has been included in the accounts. Net assets of £9,597 were transferred to the registered Café on 13 May 2024 and have been recorded as owing to Epic Arts.

23 ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted Funds - General		Restricted Funds		Total Funds	Total Funds
	Note	2024	2023	2024	2023	2024	2023
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	3	54,852	78,589	190,966	144,648	245,819	223,237
Charitable activities	4	74,342	139,553	-	-	74,342	139,553
Other income	5	49,198	11,624	-	-	49,198	11,624
Recovery of funds	21	2,298	804	-	-	2,298	804
Total income and endowments		180,691	230,570	190,966	144,648	371,657	375,219
EXPENDITURE ON:							
Charitable activities:	6	121,420	237,116	186,430	166,068	307,850	403,184
Raising funds	7	9,936	-	-	-	9,936	-
Total Expenditure		131,356	237,116	186,430	166,068	317,786	403,184
Net income/(expenditure)		49,336	(6,546)	4,537	(21,419)	53,872	(27,965)
		49,336	(6,546)	4,537	(21,419)	53,872	(27,965)
Net movement in funds		49,336	(6,546)	4,537	(21,419)	53,872	(27,965)
Reconciliation of funds:							
Total funds brought forward		10,169	16,714	33,939	55,358	44,108	72,072
Total funds carried forward		59,505	10,169	38,476	33,939	97,980	44,108

EPIC ARTS

England & Wales - Charity number 1091059

Accounts

**EPIC ARTS
REPORT AND ACCOUNTS FOR THE YEAR
ENDED 31 DECEMBER 2023**

Charity number: 1091059
Company number: 04273231

EPIC ARTS
INDEX TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

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EPIC ARTS
COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2023

Directors and Trustees	L Davolio C Hooke (resigned 14 December 2023) D Trimble G Kubair A Goad
Company Secretary	D Trimble
Key Staff	S Onn (Country Director) A Evans (Executive Director) O Buntheng (Encounters Manager) K Coogan (Senior Management Advisor) H Clifford (Cafe Manager, resigned 17 October 2023)
Governing Document	Memorandum and Articles of Association dated February 2002
Company Registration Number	04273231
Charity Registration Number	1091059
Registered Office	17 Carmichael Mews London England SW18 3HH
Principal Address	Epic Arts Sovann Sakor Kompong Kandal Kampot Cambodia
Independent Examiner	Brindley Goldstein Chartered Accountants 103 High Street Waltham Cross Hertfordshire EN8 7AN
Bankers	The Co-Operative Bank ACLEDA Bank (Cambodia)

**EPIC ARTS
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2023**

The directors, who are the charity's trustees for the purpose of charity law, have pleasure in submitting the Report and Accounts for the year.

Objects of the charity

The charity is a charitable company and is governed by its memorandum and articles of association. The objects of the charity, as set out in the governing document, are:

- a) to promote education and in particular art and drama
- b) to relieve and benefit those suffering from a physical and mental disability;

in each case primarily by provision of high-quality arts programmes designed to involve people of all abilities and disabilities anywhere in the world always that in furthering these objects the charity shall have regard to the tenets of the Christian faith.

Summary of the charity's main activities and achievements

Epic Arts works with children and young people living with disabilities. Our activities are based in Kampot, Cambodia. We provide arts and educational programmes. We run social enterprises, including a café, that provide work opportunities for people with disabilities. Our community programmes support and respond to the needs of children and people with disabilities within the Kampot area.

2023 was an unexpectedly challenging year, especially over the first 6 months. Our social enterprises, in particular, were impacted by the slower than expected recovery in tourist numbers which adversely affected their income and profitability. Our initial hopes that the modest recovery we experienced towards the end of 2022 would continue to strengthen into the early part of 2023 proved ill-founded. With the start of the new tourist season in the last quarter of 2023 we did then begin to see a more sustained growth in tourist numbers which favourably impacted the finances of our social enterprises. This improvement has continued into 2024, which is very encouraging.

We are so grateful to our management and staff in Kampot. They have worked with extraordinary commitment and dedication throughout the year.

During 2023, our Special Education Project (SEP) continued to offer high-quality educational programmes to children and young people with learning disabilities. These take place both in classrooms at the Epic Arts Centre in Kampot but also, increasingly, at local schools. We are initiating projects where we provide teachers and resources to work within the local public school system. This takes our work out into the community and significantly improves access to education for those with learning and physical disabilities. In addition to teaching resources, we also fund relatively simple adjustments to schools' infrastructure – such as ramps and disabled toilets – which transforms accessibility to education, for example, for wheelchair users.

2023 saw students graduate from our Inclusive Arts Course (IAC). This was an exciting moment as the course had been in abeyance for three years during the pandemic. The students had studied in either the creative or hospitality streams (along with modules in English, computer and administrative skills). Graduates bring a new energy and vision to Epic Arts and we were delighted to be able to employ a significant number of the graduates at Epic Arts.

The heart of these creative and educational programmes is to enable those living with disabilities to lead lives as independent as possible and to thrive in their communities. We not only educate, we also foster a sense of self-worth and self-confidence that is life-changing.

As mentioned above, 2023 was a mixed year for our social enterprises. They depend heavily on international tourism that had been badly affected by the pandemic. This downturn continued into the beginning of 2023. Business at our café did eventually improve later in 2023. Epic Dance (ED) had some pick-up in activity compared with 2022 as some national and international opportunities opened up, but overall ED also experienced a subdued year. Our social enterprises remained in profit but at a slightly lower level than in 2022. These enterprises are a vital interface between Epic Arts' educational and training programmes and our promotion of equality and diversity. They provide work opportunities for people with disabilities and are the visible and tangible expression of inclusion in a country where work opportunities for people with disabilities are limited.

In 2023, Epic Arts' community-based programmes included helping to organise the annual Kampot Arts Festival. We worked with local disabled partners and artists to showcase their work; this was an important outreach into the community. Our involvement in ChildSafe - which develops and advocates child protection and safeguarding structures in Kampot - continued to help strengthen our community links and our relationship with local government. The role and workload expanded in 2023 and remains as much needed as ever. We are seen as a valued and reliable partner with strong roots into the community.

The Board is enormously proud of and grateful to the staff and students of Epic Arts. Throughout 2023 they continued to adapt to the changing circumstances while upholding our values which are at the heart of all that we do.

In planning Epic Arts' activities, the directors have had regard to the guidance issued by the Charity Commission in December 2008 on public benefit.

Structure, governance and management

The policies and strategic decisions of the charity, and the monitoring of their implementation, rest with the directors who met four times in 2023.

Financial review

Epic Arts' finances improved in 2023, but the impact of the pandemic was still reflected in the year's financial outturn. The Board is enormously grateful for the continued support, investment and generosity of a wide range of donors. In particular, we greatly appreciated the way donors continued to be flexible in the use of some of their funding. This directly enabled us to maintain the employment of several disabled and vulnerable staff.

In 2023, total income increased £94,562 (33.7%) to £375,219 (2022: £280,656). This compared with an increase in expenditure of £87,701 (27.8%) to £403,184 (2022: £315,483). Management's pro-active fundraising strategy along with tight controls over expenditure resulted in a reduction in the overall net deficit in 2023 to £27,964 [2022: (£34,826)]

An encouraging development in 2023 was improved turnover in our social enterprises. Total income increased to £139,553 (2022: £124,635). Their net profitability was £24,575 [2022: £38,448]. These profits make a vital contribution to our financial sustainability and resilience; they are invested back into our work and reserves.

Throughout this period the Board and senior management continued to work closely together, including the careful monitoring and reporting of emerging risks, our cashflow and the overall financial position.

At 31 December 2023, Epic Arts held £47,827 in bank accounts (2022: £125,702). Because our work in Cambodia is US dollar based we are exposed to foreign exchange gains and losses. In 2023, there was a foreign exchange loss of £4,324 because of sterling's depreciation.

Reserves policy

As a result of the overall deficit set out above, Epic Arts' net assets were reduced: at 31 December 2023 they were £44,108 (2022: £72,073). The Board of Directors have a long-established policy whereby free reserves should be maintained at sufficient to cover three months' committed expenditure. At 31 December 2023 these were £10,169 (2021: £16,714). This is equivalent to 1.5 months' committed expenditure.

Directors are committed to restoring free reserves consistent with the Board's policy. The Board aims to rebuild our net assets and free reserves to mitigate future financial risks.

Key risks and plans for the future

The Directors review regularly the risks to which a UK-registered charity operating in Cambodia is exposed and are fully committed to ensuring appropriate procedures and mitigation policies are in place.

A vital part of Epic Arts' post-pandemic strategy is building up and growing our social enterprises to generate more of our own income. This is the most flexible form of income for a charity of our size and will enable us to expand those areas of our vision – particularly in relation to arts and performance-related programmes – that are outside the funding scope of many donors. We see numerous opportunities for our social enterprises to grow over the next few years. Expanding the reach and visibility of these enterprises is a vital part of spreading our core values of inclusion and diversity.

We are at an important stage of developing our inclusive educational programmes, particularly in seeking to engage public schools in providing education for those with learning disabilities. The Ministry of Education is taking a keen interest in our pilot projects which are at the leading edge of expanding educational opportunities for those with learning disabilities. This is an area where Epic Arts is having a direct impact on public policy.

Our community-based programmes will remain central to our relationship with communities within Kampot and with local authorities. The child protection team provide important links between our work with vulnerable children/adults, through our Inclusive Education programmes, and the issues our students face at home and in their local communities.

In respect of all our activities we will continue to work closely with our donors to deliver high-quality and impactful outturns consistent with donors' objectives and budgets.

As mentioned above, a key financial objective is to restore free reserves to cover three months' committed expenditure, in line with the Board's policy. The Board aims to rebuild our net assets and free reserves to mitigate future financial risks.

The Board and staff of Epic Arts are looking to the future with vision and energy. The problems caused by the pandemic are not entirely behind us but our plans and strategy for the future will help ensure Epic Arts remains financially viable and able to meet the challenges of 2025.

Responsibilities of directors under company law

The directors 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 directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure for the financial year. In preparing these financial statements, the directors are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Approval

This report was approved by the directors on 17 September 2024 and signed on their behalf by:

DERMOT TRIMBLE

**EPIC ARTS
INDEPENDENT EXAMINER'S REPORT**

I report to the trustees on my examination of the financial statements of Epic Arts ('the charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

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

Respective responsibilities of the trustees and examiner

The charity's trustees are responsible for the preparation of financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ('the 2011 Act') and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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

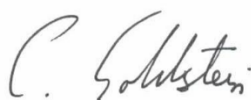
Independent examiner's statement

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

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content

of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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



.....
C H Goldstein FCA

For and on behalf of Brindley Goldstein Chartered Accountants

Date: 9th September 2024

EPIC ARTS

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	78,589	144,648	223,237	146,649
Charitable activities	4	139,553	-	139,553	124,635
Other income	5	11,624	-	11,624	8,572
Recovery of funds	21	804	-	804	800
Total income and endowments		<u>230,570</u>	<u>144,648</u>	<u>375,219</u>	<u>280,657</u>
EXPENDITURE ON:					
Charitable activities	6	237,116	166,068	403,184	315,483
Raising funds	7	-	-	-	-
Total expenditure		<u>237,116</u>	<u>166,068</u>	<u>403,184</u>	<u>315,483</u>
Net gains/(losses) on investments		-	-	-	-
Net profit/(loss)		<u>(6,545)</u>	<u>(21,419)</u>	<u>(27,964)</u>	<u>(34,826)</u>
Transfers between funds		-	-	-	-
Net movement in funds		<u>(6,545)</u>	<u>(21,419)</u>	<u>(27,964)</u>	<u>(34,826)</u>
Reconciliation of funds:					
Total funds brought forward		<u>16,714</u>	<u>55,358</u>	<u>72,073</u>	<u>106,899</u>
Total funds carried forward	17	<u>10,169</u>	<u>33,939</u>	<u>44,108</u>	<u>72,073</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account required by the Companies Act 2006.

EPIC ARTS
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
FIXED ASSETS					
Tangible assets	10	-	-	-	320
		<u>0</u>	<u>-</u>	<u>0</u>	<u>320</u>
CURRENT ASSETS					
Stock	11	1,461	-	1,461	1,322
Debtors	12	4,330	-	4,330	1,943
Cash at bank and in hand	13	13,888	33,939	47,827	125,702
		<u>19,679</u>	<u>33,939</u>	<u>53,618</u>	<u>128,967</u>
CREDITORS: Amounts falling due within one year	14	9,510	-	9,510	57,214
		<u>9,510</u>	<u>-</u>	<u>9,510</u>	<u>57,214</u>
Net current assets / (liabilities)		<u>10,169</u>	<u>33,939</u>	<u>44,108</u>	<u>71,753</u>
Total assets less current liabilities		<u>10,169</u>	<u>33,939</u>	<u>44,108</u>	<u>72,073</u>
Net assets / (liabilities)		<u>10,169</u>	<u>33,939</u>	<u>44,108</u>	<u>72,073</u>
TOTAL NET ASSETS		<u>10,169</u>	<u>33,939</u>	<u>44,108</u>	<u>72,073</u>
FUND BALANCES					
Unrestricted Funds					
General funds		10,169	-	10,169	16,714
		<u>10,169</u>	<u>-</u>	<u>10,169</u>	<u>16,714</u>
Restricted Funds		-	33,939	33,939	55,358
		<u>10,169</u>	<u>33,939</u>	<u>44,108</u>	<u>72,073</u>

EPIC ARTS

BALANCE SHEET (Continued)

AS AT 31 DECEMBER 2023

Under the Companies Act 2006, s454, on a voluntary basis, the trustees can amend these financial statements if they subsequently prove to be defective.

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2023 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The directors (who are the charitable company's trustees for the purposes of charity law) acknowledge their responsibilities for:

- (a) ensuring that the charitable company keeps accounting records which 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 net income or expenditure 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 have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 17 September 2024 and were signed on its behalf by:

DERMOT TRIMBLE

GOURI KUBAIR

Company number:	4273231
Charity number:	1091059

EPIC ARTS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities, services and goods. Goods donated for distribution to beneficiaries are recognised as income when receivable at fair value (being an estimate of the amount it would cost to purchase those items). Facilities, services and goods donated for the charity's own use are recognised as income when receivable at their value to the charity.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. At the year end any goods that have not been distributed or consumed are recognised as stock; donated fixed assets are capitalised.

- iii) Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from the charity's social enterprises: Creations shop, cafe and the dance group Epic Encounters.

Other income includes rental income.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The cost of raising funds is not significant and has not been separately disclosed.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Motor vehicles	Over 4 years on a 25% straight line basis
Equipment	Over 4 years on a 25% straight line basis

Property purchase and improvements undertaken in Cambodia are treated as an expense in the year the expenditure is incurred since, under Cambodian law, property is not owned by the charity. Any expenditure is separately detailed in note 6.

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Stocks:

Stocks of goods purchased for re-sale are stated at the lower of cost and net realisable value.

g) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no UK tax is payable on the charity's income.

h) Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as financial assets or financial liabilities. The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial, in which case they are stated at cost (less impairment where appropriate).

i) Foreign Currency Translation

These financial statements are presented in sterling. The charity's functional currency is US Dollar.

i) Income and expenditure denominated in a foreign currency is translated into sterling at the average annual exchange rate.

ii) Monetary assets and liabilities denominated in a foreign currency are re-translated at the exchange rate prevailing at the balance sheet date.

iii) Non-monetary assets are measured at historic cost at the rate of exchange prevailing on the date of the transaction and are not subsequently re-translated.

All differences arising from the application of the above policy are charged (or credited) to the Statement of Financial Activities.

j) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

k) Critical accounting estimates and areas of judgement

The trustees do not consider that there any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Donations of cash and similar	37,727	-	37,727	4,143
Other grants receivable	40,861	144,648	185,510	142,506
	<u>78,589</u>	<u>144,648</u>	<u>223,237</u>	<u>146,649</u>

4 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Café sales	107,805	-	107,805	82,336
Shop sales	8,995	-	8,995	5,210
Workshops & Events	22,753	-	22,753	37,089
	<u>139,553</u>	<u>-</u>	<u>139,553</u>	<u>124,635</u>

5 Other income

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Other income	12,428	-	12,428	9,372
	<u>12,428</u>	<u>-</u>	<u>12,428</u>	<u>9,372</u>

6 Charitable expenditure

	UK	Cambodia	Total 2023	Total 2022
	£	£	£	£
a Costs incurred directly on specific activities				
Project costs and related staff costs	6,453	216,049	222,502	158,645
Café and related staff costs	-	104,087	104,087	70,673
Shop	-	3,994	3,994	2,908
Rent and rates	-	6,897	6,897	12,606
	<u>6,453</u>	<u>331,028</u>	<u>337,481</u>	<u>244,832</u>
b Costs incurred on support & administration				
Governance costs				
Cost of accounts preparation & independent examination	45	-	45	10,093
Board meeting costs	-	-	-	1,241
	<u>45</u>	<u>-</u>	<u>45</u>	<u>11,334</u>
Core office running costs	3,232	32,434	35,666	31,355
Office equipment costs		14,335	14,335	17,458
Bank loan interest payable		-	-	-
Finance lease interest payable		-	-	-
Exchange differences		4,324	4,324	(2,745)
Depreciation of tangible fixed assets		320	320	720
Amortisation of intangible fixed assets		-	-	-
Provisions for impairment		-	-	-
Repairs and maintenance		5,331	5,331	8,524
Office utility costs		4,092	4,092	2,605
Telephone and internet		1,214	1,214	1,075
Insurance		-	-	-
Bank charges and fees	162	214	376	325
	<u>3,438</u>	<u>62,265</u>	<u>65,703</u>	<u>70,651</u>
Total expenditure	<u>9,891</u>	<u>393,293</u>	<u>403,184</u>	<u>315,483</u>

7 Cost of raising funds

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Fundraising costs	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

8 Theft of funds

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Theft of funds (see Note 21)	-	-	-	-
Less amount returned	(804)	-	(804)	(800)
	<u>(804)</u>	<u>-</u>	<u>(804)</u>	<u>(800)</u>

9 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

	2023	2022
	£	£
Gross wages and salaries (and social security costs)	214,954	138,287
	<u>214,954</u>	<u>138,287</u>

The average monthly number of employees during the year was 55 (2022: 42).

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees and the key staff named on the Company Information page. Total employment benefits payable to key management for the year were as follows:

	2023	2022
	£	£
Other (non-trustee) members of key management	43,398	33,583
	<u>43,398</u>	<u>33,583</u>

No trustees received employment benefits in either the current or preceding year.

10 Tangible fixed assets

	Fixtures, fittings and equipment £	Motor Vehicles £	Total 2023 £
Cost			
At 1 January 2023	5,539	8,591	14,130
Additions	-	-	-
At 31 December 2023	<u>5,539</u>	<u>8,591</u>	<u>14,130</u>
Accumulated depreciation			
At 1 January 2023	5,219	8,591	13,810
Charge for the year	320	-	320
At 31 December 2023	<u>5,539</u>	<u>8,591</u>	<u>14,130</u>
Net book value			
At 31 December 2023	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2022	<u>320</u>	<u>-</u>	<u>320</u>

11 Stock

	2023 £	2022 £
Purchased for re-sale, at cost	1,461	1,322
	<u>1,461</u>	<u>1,322</u>

12 Debtors

	2023 £	2022 £
Falling due within one year:		
Tax recoverable	-	-
Other debtors	2,160	1,676
Prepayments and accrued income	2,170	267
Reimbursement of stolen funds (see Note 21)	-	-
	<u>4,330</u>	<u>1,943</u>
Total debtors	<u>4,330</u>	<u>1,943</u>

13 Cash at Bank and in Hand

	2023 £	2022 £
Cash at Bank - UK	18,708	62,635
Cash at Bank and in hand - Overseas	29,119	63,067
	<u>47,827</u>	<u>125,702</u>

14 Creditors: liabilities falling due within one year

	2023 £	2022 £
Other creditors	3,928	5,804
Accruals	3,523	11,352
Deferred income	2,059	40,058
	<u>9,510</u>	<u>57,214</u>

15 Deferred income

Deferred income comprises the following:

	2023 £	2022 £
Balance at the beginning of the reporting period	40,058	6,717
Amount released to income	(40,058)	(6,717)
Amount deferred in year	2,059	40,058
Balance at the end of the reporting period	<u>2,059</u>	<u>40,058</u>
The income deferred at the period end will be released to income over the following periods:		
Within one year	<u>2,059</u>	<u>40,058</u>
	<u>2,059</u>	<u>40,058</u>

The balance on deferred income represents performance-related grant monies, and contractual monies, being received in advance of the conditions controlling entitlement being fulfilled.

16 Pension commitments

There are no employer pension costs for Cambodian staff. There are payments made monthly for workers compensation and medical insurance.

17 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2023 £	Incoming resources 2023 £	Outgoing resources 2023 £	Transfers in the year 2023 £	Closing balance 2023 £
<i>General Unrestricted Funds</i>	16,715	230,570	(237,116)	-	10,169
Total Unrestricted Funds	16,715	230,570	(237,116)	-	10,169
<i>Restricted Funds</i>					
Café Building Project	28,818	-	(11,359)	-	17,459
Inclusive Education Programme	21,807	884	(22,692)	-	-
World Childhood Foundation	3,884	18,695	(17,568)	-	5,011
FELM	-	63,826	(61,661)	-	2,165
Caritas	-	24,672	(17,096)	-	7,575
UNDP (CCC)	-	18,742	(17,572)	-	1,170
Friends International	849	17,829	(18,120)	-	559
	55,358	144,648	(166,068)	-	33,939
Aggregate of funds	72,073	375,219	(403,184)	-	44,108

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>			2023 £
	General funds £	Designated funds £	Restricted funds £	
Fixed assets	-	-	-	-
Stock	1,461	-	-	1,461
Debtors	4,330	-	-	4,330
Cash at bank and in hand	13,888	-	33,939	47,827
Current liabilities	(9,510)	-	-	(9,510)
Non-current liabilities	-	-	-	-
	10,169	-	33,939	44,108

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2022 £	Incoming resources 2022 £	Outgoing resources 2022 £	Transfers in the year 2022 £	Closing balance 2022 £
<i>General Unrestricted Funds</i>	20,757	229,549	(250,198)	16,606	16,715
Total Unrestricted Funds	20,757	229,549	(250,198)	16,606	16,715
<i>Restricted Funds</i>					
Café Building Project	55,402	-	(9,978)	(16,606)	28,818
Inclusive Education Programme	31,737	1,327	(11,257)	-	21,807
World Childhood Foundation	(1,067)	33,494	(28,543)	-	3,884
Friends International	70	16,286	(15,507)	-	849
	86,142	51,107	(65,285)	(16,606)	55,358
Aggregate of funds	106,899	280,656	(315,483)	-	72,073

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted Funds			
	General funds	Designated funds	Restricted funds	2022
	£	£	£	£
Fixed assets	320	-	-	320
Stock	1,321	-	-	1,321
Debtors	1,943	-	-	1,943
Cash at bank and in hand	62,226	-	63,476	125,702
Current liabilities	(49,096)	-	(8,118)	(57,214)
	16,715	-	55,358	72,073

The purposes of the restricted funds are as follows:

Café Building Project

Money donated towards the planning, purchase and development of a new café building in Cambodia.

Inclusive Education Programme

These programmes provide high-quality, creative and inclusive educational opportunities for children and young people of all abilities.

World Childhood Foundation

Funding to enable Epic Arts to address child protection issues in Kampot..

FELM and Caritas

Funding to support inclusive education programs

UNDP - CCC

Networking and support for NGOs operating in Kampot

Friends International

Funding provided by UNICEF to support community projects

18 Operating lease commitments

A five year lease was agreed in May 2022 at a rental of \$300 per month. The minimum amounts payable (until the next break clause and ignoring the potential effect of future rent reviews) in respect of this lease is as follows (translated at 31 Dec rates):

	2023	2022
	£	£
Payments falling due:		
Within one year	1,900	5,333
Between one and five years	-	-
	1,900	5,333

During the year the charity was charged £3,495 (2022: £9,968) for its operating lease (translated at average annual rates).

19 Transactions with related parties

During the year the charity:

- received donations totalling £1,560 (2022: Nil) from related parties (which includes trustees, anyone closely connected to them and key management).
- paid expenses totalling £Nil (2022: £Nil) for the trustee board for costs incurred whilst carrying out duties associated with being trustees; reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee are not included in this disclosure.

20 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.

21 Recovery of funds

As noted in the 2018 Report and Accounts, the charity became aware in June 2019 of an internal fraud in the Cambodian operation which had been perpetrated since 2013, resulting in £74,569 of cash takings (all in the general fund) having been misappropriated. Since that point £72,293 of the stolen funds have been reimbursed. The perpetrator of the fraud is continuing to make repayments under an agreed schedule and the charity expects a full recovery of these funds. The table below shows the periods in which the fraud occurred, and to which the reimbursements relate:

	Amount stolen £	Amount reimbursed £	Net expense £
2013-2016	38,175	(31,277)	6,898
2017	7,697	(7,697)	-
2018	14,806	(14,806)	-
2019	13,891	(13,891)	-
2020	-	(1,566)	(1,566)
2021	-	(1,452)	(1,452)
2022	-	(800)	(800)
2023	-	(804)	(804)
Total as at 31 December 2023	<u>74,569</u>	<u>(72,293)</u>	<u>2,276</u>

Allocation of funds recovered

		2023 £	2022 £
Reimbursed	Note 8	804	800
Allocation:			
Theft of funds - expenditure in year		-	-
Recovery of funds - Income in year		<u>804</u>	<u>800</u>

22 ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

EPIC ARTS
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted Funds - General		Restricted Funds		Total Funds	Total Funds
	Note	2023	2022	2023	2022	2023	2022
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	3	78,589	95,542	144,648	51,107	223,237	146,649
Charitable activities	4	139,553	124,635	-	-	139,553	124,635
Other income	5	11,624	8,572	-	-	11,624	8,572
Recovery of funds	21	804	800	-	-	804	800
Total income and endowments		230,570	229,550	144,648	51,107	375,219	280,657
EXPENDITURE ON:							
Charitable activities:	6	237,116	250,198	166,068	65,285	403,184	315,483
Raising funds	7	-	-	-	-	-	-
Total Expenditure		237,116	250,198	166,068	65,285	403,184	315,483
Net income/(expenditure)		(6,545)	(20,649)	(21,419)	(14,178)	(27,964)	(34,827)
Transfers between funds	17	-	16,606	-	(16,606)	-	-
		(6,545)	(4,043)	(21,419)	(30,784)	(27,964)	(34,827)
Net movement in funds		(6,545)	(4,043)	(21,419)	(30,784)	(27,964)	(34,827)
Reconciliation of funds:							
Total funds brought forward		16,714	20,757	55,358	86,142	72,073	106,899
Total funds carried forward		10,169	16,714	33,939	55,358	44,108	72,073

EPIC ARTS

England & Wales - Charity number 1091059

Accounts

EPIC ARTS
REPORT AND ACCOUNTS FOR THE YEAR
ENDED 31 DECEMBER 2022

Charity number: 1091059
Company number: 04273231

EPIC ARTS**INDEX TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022**

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EPIC ARTS
COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2022

Directors and Trustees	L Davollo H Goad (resigned 8 December 2022) C Hooke D Trimble G Kubair (appointed 1 March 2022) A Goad (appointed 8 December 2022)
Company Secretary	D Trimble
Key Staff	S Onn (Country Director) A Evans (Executive Director) O Buntheng (Encounters Manager) K Coogan (Senior Management Advisor) H Clifford (Cafe Manager)
Governing Document	Memorandum and Articles of Association dated February 2002
Company Registration Number	04273231
Charity Registration Number	1091059
Registered Office	17 Carmichael Mews London England SW18 3HH
Principal Address	Epic Arts Sovann Sakor Kompong Kandal Kampot Cambodia
Independent Examiner	Brindley Goldstein Chartered Accountants 103 High Street Waltham Cross Hertfordshire EN8 7AN
Bankers	The Co-Operative Bank ACLEDA Bank (Cambodia)

**EPIC ARTS
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors, who are the charity's trustees for the purpose of charity law, have pleasure in submitting the Report and Accounts for the year.

Objects of the charity

The charity is a charitable company and is governed by its memorandum and articles of association. The objects of the charity, as set out in the governing document, are:

- a) to promote education and in particular art and drama
- b) to relieve and benefit those suffering from a physical and mental disability;

in each case primarily by provision of high quality arts programmes designed to involve people of all abilities and disabilities anywhere in the world always that in furthering these objects the charity shall have regard to the tenets of the Christian faith.

Summary of the charity's main activities and achievements

Epic Arts provides arts, educational and community programmes and runs a number of social enterprises which promote and celebrate diversity and inclusion. Our work provides tools for personal transformation and helps change societal attitudes towards inclusion and disability. Our activities are based in Kampot, Cambodia.

Epic Arts is rooted in interacting and engaging with our local, national and international communities through our creativity, educational programmes and social enterprises.

We are pleased to report that the impact of the Covid-19 pandemic began to abate in 2022. This was very encouraging. Our programmes, projects and social enterprises all saw an uplift in activity. As we outlined in our previous two Annual Report & Accounts, it had been a challenging and, at times, difficult period but there are now good signs that the worst is behind us. We were able to kick-start our activities and within the organisation there was a welcome sense of returning to normality. We are so grateful to our team in Kampot. They have worked with extraordinary commitment and dedication over this difficult period and it is now exciting to see a new energy and positivity coming from management and staff.

In 2022, our inclusive education programmes were back up and running. The Special Education Project (SEP), which offers high-quality, creative and educational programmes to children and young people with learning disabilities, was fully able to return to the classroom. The number of students increased throughout the year. We began developing plans to work in local schools and offer mobile classes. This would take our work out into the community and significantly improve access to our educational services. A major challenge is finding students who are often 'hidden from view' because of their disabilities. We are now being helped in this by local government agencies – a good example of our stronger relationships with local government. 2022 also saw the restart of our Inclusive Arts Course (IAC) after three years in abeyance. We have used this time to review and extend the curriculum. It will now offer both creative and hospitality streams (along with teaching English, computer and administrative skills). This more focused course will provide better and more predictable employment opportunities for our graduates, including with Epic Arts.

Further encouraging news in 2022 was the increased activity in our social enterprises. As we have previously reported, these enterprises, which depend heavily on international tourism and travel, were badly affected by the pandemic. Business at our café picked up throughout 2022 as tourists began to return. It moved to a new site in September which offers a more spacious and shaded venue for customers, an upgraded kitchen and a much better working environment for the staff. Epic Encounters – our dance company – saw the beginnings of an uplift in their activity too, as both national and international opportunities began opening up again. These social enterprises are a vital interface between Epic Arts' educational and training programmes and our promotion of equality and diversity. They provide work opportunities for people with disabilities and are the visible and tangible expression of inclusion in a country where work opportunities for people with disabilities are limited.

In 2022, Epic Arts' community-based programmes were able to revert to responding to the creative needs of our local Kampot community (having spent the pandemic acting as a much-needed hub distributing rice and basic hygiene goods to vulnerable families). Having secured a sponsor for the annual Kampot Arts Festival, Epic Arts worked hard to identify and work with disabled partners and artists. This was an important outreach into the community and an opportunity to showcase the work of local disabled artists. The festival successfully took place in January 2023.

Our involvement in ChildSafe – which develops and advocates child protection and safeguarding structures in Kampot – was another programme that continued to help strengthen our community links and our relationship with local government. The role and workload expanded further in 2022 and remained as much needed as ever. We are increasingly being seen as a valued and reliable partner with strong roots into the community.

**EPIC ARTS
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Board is enormously proud of and grateful to the staff and students of Epic Arts. Throughout 2022 they continued to adapt to the changing and more encouraging circumstances while upholding our values which are at the heart of all that we do.

In planning Epic Arts' activities the directors have had regard to the guidance issued by the Charity Commission in December 2008 on public benefit.

Structure, governance and management

The policies and strategic decisions of the charity, and the monitoring of their implementation, rest with the Directors who met five times in 2022.

Financial review

Epic Arts' finances improved in 2022 but the impact of the pandemic was still reflected in the year's financial outturn. The Board is enormously grateful for the continued support, investment and generosity of a wide range of donors. In particular, we greatly appreciated the way donors continued to be flexible in the use of some of their funding. This directly enabled us to maintain the employment of a number of disabled and vulnerable staff.

In 2022, total income increased by £133,630 (90.9%) to £280,656 (2021: £147,026). This compared with an increase in expenditure of £109,723 (53.3%) to £315,483 (2021: £205,760). Management's pro-active fundraising strategy along with tight controls over expenditure resulted in a reduction in the overall net deficit in 2022 to £34,734 [2021: (£58,734)]

As mentioned above, an encouraging development in 2022 was improved turnover in our social enterprises. Total income increased to £124,635 (2021: £38,279). Their net profitability was £38,448 [2021: (£11,422)]. This turnaround is important for Epic Arts' finances as these profits make a vital contribution to our financial sustainability and resilience; they are invested back into our work and reserves.

Throughout this period the Board and senior management continued to work closely together, including the careful monitoring and reporting of emerging risks, our cashflow and the overall financial position.

At 31 December 2022, Epic Arts held £125,702 in bank accounts (2021: £123,947). Because our work in Cambodia is US dollar based we are generally exposed to modest foreign exchange gains and losses. In 2022 there was a foreign exchange gain of £2,745 because of sterling's appreciation.

Reserves policy

As a result of the overall deficit set out above, Epic Arts' net assets were reduced; at 31 December 2022 they were £72,073 (2021: £106,899). The Board of Directors have a long-established policy whereby free reserves should be maintained at sufficient to cover three months' committed expenditure. At 31 December 2022 these were £16,715 (2021: £20,757). This is equivalent to 2.5 months' committed expenditure.

Directors are committed to restoring free reserves consistent with the Board's policy. The Board aims to rebuild our net assets and free reserves to mitigate future financial risks.

Key risks, Covid-19 pandemic and plans for the future

The Directors review regularly the risks to which a UK-registered charity operating in Cambodia is exposed and are fully committed to ensuring appropriate procedures and mitigation policies are in place.

With the pandemic largely behind us, Epic Arts is now looking ahead to the rest of 2023 and through to 2024. A key objective is to rebuild and develop our programmes. A vital part of the recovery strategy is building up and growing our social enterprises in order to generate more of our own income. This is the most flexible form of income for a charity of our size and will enable us to expand those areas of our vision – particularly in relation to arts and performance-related programmes – that are outside the funding scope of many donors.

We see opportunities for our social enterprises developing over the next few years. We believe that our café brand can gradually be upscaled in other parts of Cambodia; we are working on plans to do this. We expect Epic Encounters to be involved in more national and international arts festivals and tours and to develop a higher profile in the inclusive arts world. Expanding the reach and visibility of these enterprises is a vital part of spreading our core values of inclusion and diversity.

In 2023, we look forward to welcoming some IAC graduates as new members of staff.

**EPIC ARTS
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Our community-based programmes will remain a central to our relationship with communities within Kampot and with local authorities. The child protection team provide important links between our work with vulnerable children/adults, through our Inclusive Education programmes, and the issues our students face at home and in their local communities.

The Board and staff of Epic Arts are looking to the future with renewed vision and energy. The problems caused by the pandemic are not entirely behind us but our plans and strategy for the future will help ensure Epic Arts remains financially viable and able to meet the challenges of 2024.

Responsibilities of directors under company law

The directors 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 directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure for the financial year. In preparing these financial statements, the directors are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Approval

19 September

This report was approved by the directors on 2023 and signed on their behalf by:

Dermot Trimble

DERMOT TRIMBLE

EPIC ARTS INDEPENDENT EXAMINER'S REPORT

I report to the trustees on my examination of the financial statements of Epic Arts ('the charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

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

Respective responsibilities of the trustees and examiner

The charity's trustees are responsible for the preparation of financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ('the 2011 Act') and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

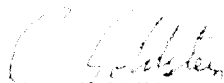
An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance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

Independent examiner's statement

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

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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



C H Goldstein FCA
For and on behalf of Brindley Goldstein Chartered Accountants

Date: 26/09/23

EPIC ARTS

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	95,542	51,107	146,649	102,726
Charitable activities	4	124,635	-	124,635	38,279
Other income	5	8,572	-	8,572	4,569
Recovery of funds	21	800	-	800	1,452
Total income and endowments		229,549	51,107	280,656	147,026
EXPENDITURE ON:					
Charitable activities	6	250,198	65,285	315,483	205,760
Raising funds	7	-	-	-	-
Total expenditure		250,198	65,285	315,483	205,760
Net gains/(losses) on investments		-	-	-	-
Net profit/(loss)		(20,648)	(14,178)	(34,826)	(58,734)
Transfers between funds	17	16,606	(16,606)	-	-
Net movement in funds		(4,042)	(30,784)	(34,826)	(58,734)
Reconciliation of funds:					
Total funds brought forward		20,757	86,142	106,899	165,633
Total funds carried forward	17	16,715	55,358	72,073	106,899

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account required by the Companies Act 2006.

EPIC ARTS
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
FIXED ASSETS					
Tangible assets	10	320	-	320	1,040
		<u>320</u>	<u>-</u>	<u>320</u>	<u>1,040</u>
CURRENT ASSETS					
Stock	11	1,322	-	1,322	1,134
Debtors	12	1,943	-	1,943	584
Cash at bank and in hand	13	62,226	63,476	125,702	123,947
		<u>65,491</u>	<u>63,476</u>	<u>128,967</u>	<u>125,665</u>
CREDITORS: Amounts falling due within one year	14	49,096	8,118	57,214	19,806
Net current assets / (liabilities)		<u>16,395</u>	<u>55,358</u>	<u>71,753</u>	<u>105,859</u>
Total assets less current liabilities		<u>16,715</u>	<u>55,358</u>	<u>72,073</u>	<u>106,899</u>
Net assets / (liabilities)		<u>16,715</u>	<u>55,358</u>	<u>72,073</u>	<u>106,899</u>
TOTAL NET ASSETS		<u>16,715</u>	<u>55,358</u>	<u>72,073</u>	<u>106,899</u>
FUND BALANCES	17				
Unrestricted Funds					
General funds		16,715	-	16,715	20,757
		<u>16,715</u>	<u>-</u>	<u>16,715</u>	<u>20,757</u>
Restricted Funds		-	55,358	55,358	86,142
		<u>16,715</u>	<u>55,358</u>	<u>72,073</u>	<u>106,899</u>

EPIC ARTS

BALANCE SHEET (Continued)

AS AT 31 DECEMBER 2022

Under the Companies Act 2006, s454, on a voluntary basis, the trustees can amend these financial statements if they subsequently prove to be defective.

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

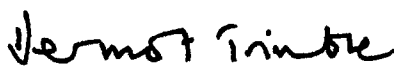
The directors (who are the charitable company's trustees for the purposes of charity law) acknowledge their responsibilities for:

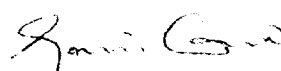
- (a) ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its net income or expenditure 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 have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

19 September 2023

The financial statements were approved by the Board of Directors on and were signed on its behalf by:


DERMOT TRIMBLE


GOURI KUBAIR

Company number: 4273231
Charity number: 1091059

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities, services and goods. Goods donated for distribution to beneficiaries are recognised as income when receivable at fair value (being an estimate of the amount it would cost to purchase those items). Facilities, services and goods donated for the charity's own use are recognised as income when receivable at their value to the charity.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. At the year end any goods that have not been distributed or consumed are recognised as stock; donated fixed assets are capitalised.

- iii) Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from the charity's social enterprises: Creations shop, cafe and the dance group Epic Encounters.

Other income includes rental income.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The cost of raising funds is not significant and has not been separately disclosed.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Motor vehicles	Over 4 years on a 25% straight line basis
Equipment	Over 4 years on a 25% straight line basis

Property purchase and improvements undertaken in Cambodia are treated as an expense in the year the expenditure is incurred since, under Cambodian law, property is not owned by the charity. Any expenditure is separately detailed in note 6.

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Stocks

Stocks of goods purchased for re-sale are stated at the lower of cost and net realisable value.

g) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no UK tax is payable on the charity's income.

h) Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as financial assets or financial liabilities. The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial, in which case they are stated at cost (less impairment where appropriate).

i) Foreign Currency Translation

These financial statements are presented in sterling. The charity's functional currency is US Dollar.

- i) Income and expenditure denominated in a foreign currency is translated into sterling at the average annual exchange rate.
- ii) Monetary assets and liabilities denominated in a foreign currency are re-translated at the exchange rate prevailing at the balance sheet date.
- iii) Non-monetary assets are measured at historic cost at the rate of exchange prevailing on the date of the transaction and are not subsequently re-translated.

All differences arising from the application of the above policy are charged (or credited) to the Statement of Financial Activities.

j) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

k) Critical accounting estimates and areas of judgement

The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Donations of cash and similar	4,143	-	4,143	7,596
Other grants receivable	91,399	51,107	142,506	95,130
	<u>95,542</u>	<u>51,107</u>	<u>146,649</u>	<u>102,726</u>

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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4 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Café sales	82,336	-	82,336	30,372
Shop sales	5,210	-	5,210	1,425
Workshops & Events	37,089	-	37,089	6,482
Ticket sales	-	-	-	-
	<u>124,635</u>	<u>-</u>	<u>124,635</u>	<u>38,279</u>

5 Other income

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Other income	9,372	-	9,372	4,569
	<u>9,372</u>	<u>-</u>	<u>9,372</u>	<u>4,569</u>

6 Charitable expenditure

	UK £	Cambodia £	Total 2022 £	Total 2021 £
a Costs incurred directly on specific activities				
Project costs and related staff costs	-	158,645	158,645	110,495
Café and related staff costs	-	70,673	70,673	39,092
Shop	-	2,908	2,908	953
Rent and rates	-	12,606	12,606	9,656
	<u>-</u>	<u>244,832</u>	<u>244,832</u>	<u>160,196</u>
b Costs incurred on support & administration				
Governance costs				
Cost of accounts preparation & independent examination	-	10,093	10,093	5,138
Board meeting costs	-	1,241	1,241	-
	<u>-</u>	<u>11,334</u>	<u>11,334</u>	<u>5,138</u>
Core office running costs		31,355	31,355	21,331
Office equipment costs		17,458	17,458	8,338
Exchange differences		(2,745)	(2,745)	3,115
Depreciation of tangible fixed assets		720	720	720
Repairs and maintenance		8,524	8,524	3,414
Office utility costs		2,605	2,605	1,481
Telephone and internet		1,075	1,075	1,342
Bank charges and fees		325	325	685
	<u>-</u>	<u>70,651</u>	<u>70,651</u>	<u>45,564</u>
Total expenditure	<u>-</u>	<u>315,483</u>	<u>315,483</u>	<u>205,760</u>

7 Cost of raising funds

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Fundraising costs	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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8 Theft of funds

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Theft of funds (see Note 21)	-	-	-	-
Less amount returned	(800)	-	(800)	(1,452)
	<u>(800)</u>	<u>-</u>	<u>(800)</u>	<u>(1,452)</u>

9 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

	2022 £	2021 £
Gross wages and salaries (and social security costs)	138,287	109,132
	<u>138,287</u>	<u>109,132</u>

The average monthly number of employees during the year was 42 (2021: 38).

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees and the key staff named on the Company Information page. Total employment benefits payable to key management for the year were as follows:

	2022 £	2021 £
Other (non-trustee) members of key management	33,583	36,490
	<u>33,583</u>	<u>36,490</u>

No trustees received employment benefits in either the current or preceding year.

10 Tangible fixed assets

	Fixtures, fittings and equipment £	Motor Vehicles £	Total 2022 £
Cost			
At 1 January 2021	5,539	8,591	14,130
Additions	-	-	-
At 31 December 2022	<u>5,539</u>	<u>8,591</u>	<u>14,130</u>
Accumulated depreciation			
At 1 January 2021	4,499	8,591	13,090
Charge for the year	720	-	720
At 31 December 2022	<u>5,219</u>	<u>8,591</u>	<u>13,810</u>
Net book value			
At 31 December 2022	<u>320</u>	<u>-</u>	<u>320</u>
At 31 December 2021	<u>1,040</u>	<u>-</u>	<u>1,040</u>

11 Stock

	2022 £	2021 £
Purchased for re-sale, at cost	1,322	1,134
	<u>1,322</u>	<u>1,134</u>

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12 Debtors		15
	2022	2021
	£	£
Falling due within one year:		
Tax recoverable	-	-
Other debtors	1,676	96
Prepayments and accrued income	267	488
	<u>1,943</u>	<u>584</u>

13 Cash at Bank and in Hand		
	2022	2021
	£	£
Cash at Bank - UK	62,635	70,692
Cash at Bank and in hand - Overseas	63,067	53,255
	<u>125,702</u>	<u>123,947</u>

14 Creditors: liabilities falling due within one year		
	2022	2021
	£	£
Other creditors	5,804	4,672
Accruals	11,352	8,417
Deferred income	40,058	6,717
	<u>57,214</u>	<u>19,806</u>

15 Deferred Income

Deferred income comprises the following:

	2022	2021
	£	£
Balance at the beginning of the reporting period	6,717	15,853
Amount released to income	(6,717)	(15,853)
Amount deferred in year	40,058	6,717
Balance at the end of the reporting period	<u>40,058</u>	<u>6,717</u>

The income deferred at the period end will be released to income over the following periods:
 Within one year

40,058	6,717
<u>40,058</u>	<u>6,717</u>

The balance on deferred income represents performance-related grant monies, and contractual monies, being received in advance of the conditions controlling entitlement being fulfilled.

16 Pension commitments

There are no employer pension costs for Cambodian staff. There are payments made monthly for workers compensation and medical insurance.

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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17 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2022 £	Incoming resources 2022 £	Outgoing resources 2022 £	Transfers in the year 2022 £	Closing balance 2022 £
<i>General Unrestricted Funds</i>	20,757	229,549	(250,198)	16,606	16,715
Total Unrestricted Funds	20,757	229,549	(250,198)	16,606	16,715
<i>Restricted Funds</i>					
Café Building Project	55,402	-	(9,978)	(16,606)	28,818
Inclusive Education Programme	31,737	1,327	(11,257)	-	21,807
World Childhood Foundation and smaller projects	(1,067)	33,494	(28,543)	-	3,884
Encounter	-	-	-	-	-
Friends International	70	16,286	(15,507)	-	849
US Embassy	-	-	-	-	-
	86,142	51,107	(65,285)	(16,606)	55,358
Aggregate of funds	106,899	280,656	(315,483)	-	72,073

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>		Restricted funds	2022
	General funds	Designated funds	funds	£
	£	£	£	£
Fixed assets	320	-	-	- 320
Stock	1,322	-	-	1,322
Debtors	1,943	-	-	1,943
Cash at bank and in hand	62,226	-	63,476	125,702
Current liabilities	(49,096)	-	(8,118)	(57,214)
	16,715	-	55,358	72,073

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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In the previous year the movements in the charity's funds were as follows:

	Opening balance 2021 £	Incoming resources 2021 £	Outgoing resources 2021 £	Transfers in the year 2021 £	Closing balance 2021 £
<i>General Unrestricted Funds</i>	39,512	103,413	(156,766)	34,598	20,757
Total Unrestricted Funds	39,512	103,413	(156,766)	34,598	20,757
<i>Restricted Funds</i>					
Café Building Project	90,000	-	-	(34,598)	55,402
Inclusive Education Programme	36,167	-	(4,430)	-	31,737
World Childhood Foundation and smaller projects	(46)	28,870	(29,891)	-	(1,067)
Encounter	-	1,540	(1,540)	-	-
Friends International	-	12,525	(12,455)	-	70
US Embassy	-	678	(678)	-	-
	126,121	43,613	(48,994)	(34,598)	86,142
Aggregate of funds	165,633	147,026	(205,760)	-	106,899

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted Funds			2021 £
	General funds £	Designated funds £	Restricted funds £	
Fixed assets	1,040	-	-	1,040
Stock	1,134	-	-	1,134
Debtors	584	-	-	584
Cash at bank and in hand	29,887	-	94,260	123,947
Current liabilities	(11,688)	-	(8,118)	(19,806)
	20,757	-	86,142	106,899

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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The purposes of the restricted funds are as follows:

Café Building Project

Money donated towards the planning, purchase and development of a new café building in Cambodia.

Community Arts Programme

This programme responds to the needs of our local Kampot community taking dance, drama and visual arts to schools and community venues.

Inclusive Education Programme

These programmes provide high-quality, creative and inclusive educational opportunities for children and young people of all abilities.

World Childhood Foundation and smaller projects

Funding to enable Epic Arts to address child protection issues in Kampot; we are the only local agency providing such services.

Core Projects

Funding of salary and support costs for employing one of the graduates from our inclusive Arts Course.

Arts-related Projects

Other inclusive arts projects fulfilling our charitable objects.

18 Operating lease commitments

A new two year lease was agreed in August 2021 at a rental of \$1,200 per month. The minimum amounts payable (until the next break clause and ignoring the potential effect of future rent reviews) in respect of this lease is as follows (translated at 31 Dec rates):

	2022 £	2021 £
Payments falling due:		
Within one year	5,981	5,333
Between one and five years	-	-
	<u>5,981</u>	<u>5,333</u>

During the year the charity was charged £9,968 (2021: £9,150) for its operating lease (translated at average annual rates).

19 Transactions with related parties

During the year the charity:

- a) received donations totalling £Nil (2021: 360) from related parties (which includes trustees, anyone closely connected to them and key management).
- b) paid expenses totalling £Nil (2021: £Nil) for the trustee board for costs incurred whilst carrying out duties associated with being trustees; reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee are not included in this disclosure.

20 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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21 Recovery of funds

As noted in the 2018 Report and Accounts, the charity became aware in June 2019 of an internal fraud in the Cambodian operation which had been perpetrated since 2013, resulting in £74,569 of cash takings (all in the general fund) having been misappropriated. Since that point £71,489 of the stolen funds have been reimbursed. The perpetrator of the fraud is continuing to make repayments under an agreed scheduled and the charity expects a full recovery of these funds. The table below shows the periods in which the fraud occurred, and to which the reimbursements relate:

	Amount stolen £	Amount reimbursed £	Net expense £
2013-2016	38,175	(31,277)	6,898
2017	7,697	(7,697)	-
2018	14,806	(14,806)	-
2019	13,891	(13,891)	-
2020	-	(1,566)	(1,566)
2021	-	(1,452)	(1,452)
2022	-	(800)	(800)
Total as at 31 December 2022	<u>74,569</u>	<u>(71,489)</u>	<u>3,080</u>

Allocation of funds recovered

	2022 £	2021 £
Reimbursed	800	1,452
Allocation:		
Theft of funds - expenditure in year	-	-
Recovery of funds - income in year	<u>800</u>	<u>1,452</u>

Note 8

22 ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 DECEMBER 2022**

		Unrestricted Funds - General		Restricted Funds		Total Funds	Total Funds
	Note	2022	2021	2022	2021	2022	2021
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	3	95,542	59,113	51,107	43,613	146,649	102,726
Charitable activities	4	124,635	38,279	-	-	124,635	38,279
Other income	5	8,572	4,569	-	-	8,572	4,569
Recovery of funds	21	800	1,452	-	-	800	1,452
Total income and endowments		229,549	103,413	51,107	43,613	280,656	147,026
EXPENDITURE ON:							
Charitable activities:	6	250,198	158,786	65,285	48,994	315,483	205,760
Raising funds	7	-	-	-	-	-	-
Total Expenditure		250,198	158,786	65,285	48,994	315,483	205,760
Net income/(expenditure)		(20,648)	(53,353)	(14,178)	(5,381)	(34,826)	(58,734)
Transfers between funds	17	18,606	34,598	-	16,606	(34,598)	-
		(4,042)	(18,755)	(30,784)	(39,979)	(34,826)	(58,734)
Net movement in funds		(4,042)	(18,755)	(30,784)	(39,979)	(34,826)	(58,734)
Reconciliation of funds:							
Total funds brought forward		20,757	39,512	86,142	126,121	106,899	165,633
Total funds carried forward	17	16,715	20,757	55,358	86,142	72,073	106,899

Accounts

EPIC ARTS
REPORT AND ACCOUNTS FOR THE YEAR
ENDED 31 DECEMBER 2021

Charity number: 1091059
Company number: 04273231

EPIC ARTS**INDEX TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021**

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EPIC ARTS
COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2021

Directors and Trustees	M Burr (resigned 1 March 2022) L Davolio H Goad C Hooke D Trimble G Kubair (appointed 1 March 2022)
Company Secretary	H Goad
Key Staff	S Onn (Country Director) A Evans (Executive Director) O Buntheng (Encounters Manager) K Coogan (Senior Management Advisor) H Clifford (Cafe Manager)
Governing Document	Memorandum and Articles of Association dated February 2002
Company Registration Number	04273231
Charity Registration Number	1091059
Registered Office	17 Carmichael Mews London England SW18 3HH
Principal Address	Epic Arts Sovann Sakor Kompong Kandal Kampot Cambodia
Independent Examiner	McBrides Accountants LLP Nexus House 2 Cray Road Sidcup, Kent DA14 5DA
Bankers	The Co-Operative Bank ACLEDA Bank (Cambodia)

**EPIC ARTS
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors, who are the charity's trustees for the purpose of charity law, have pleasure in submitting the Report and Accounts for the year.

Objects of the charity

The charity is a charitable company and is governed by its memorandum and articles of association. The objects of the charity, as set out in the governing document, are:

- a) to promote education and in particular art and drama
- b) to relieve and benefit those suffering from a physical and mental disability;

in each case primarily by provision of high quality arts programmes designed to involve people of all abilities and disabilities anywhere in the world always that in furthering these objects the charity shall have regard to the tenets of the Christian faith.

Summary of the charity's main activities and achievements

Epic Arts provides arts, educational and community programmes and runs a number of social enterprises which promote and celebrate diversity and inclusion. Our work provides tools for personal transformation and helps change societal attitudes towards inclusion and disability. Our activities are based in Kampot, Cambodia.

The Covid-19 pandemic continued to affect Epic Arts' programmes and activities throughout 2021. There were tentative signs towards the end of the year that the pandemic's impact was diminishing and this has continued into 2022. Our team in Kampot have continued to work with extraordinary commitment and dedication.

During 2021 we adjusted, where possible, our core programmes – inclusive education, social enterprises and work in our local community – to take account of the changing circumstances. We developed new outlets and opportunities for our work, including orientating our social enterprises towards the Cambodian market, increasing our online activities and building up our engagement with the local community.

The Special Education Project (SEP) offers high-quality, creative and educational programmes to children and young people with learning disabilities in Kampot, many of whom would not otherwise have access to an education. We were able to run the SEP for most of the year. As in 2020, there were periodic government closures of all schools and during these times our teaching staff remained in contact with our students and their families offering vital support and advice. Because of the pandemic we were unable to welcome a new intake of students on our Inclusive Arts Course (IAC) in 2021. This was a great disappointment but we are delighted that the course is now scheduled to reopen in October 2022.

Epic Arts' social enterprises are a vital interface between our educational and training programmes and our promotion of equality and diversity. They provide work opportunities for people with disabilities and are the visible and tangible expression of inclusion in a country where work opportunities for people with disabilities are limited. They also make a vital contribution to our financial sustainability; surpluses are invested back into our work. Of all Epic Arts' activities, our social enterprises have been most affected by the pandemic. They depend heavily on international tourism and travel. We reported last year that tourism to Cambodia virtually dried up; this continued through most of 2021. Our cafe in Kampot remained open and had some success in shifting our offering more towards local Cambodians but trading conditions worsened compared with 2020. There was a similar situation for Epic Encounters – our dance company – where income-earning opportunities were very limited. They maintained an online presence but were unable to perform live nationally or internationally; their workshops with international schools and corporates were also severely curtailed.

Epic Arts' community-based programmes – which respond to the creative needs of our local Kampot community – have faced a second year of disruption but significant new community connections have also opened up. During the pandemic we have been able to respond to the needs of the community, a role that has been proactively supported by the local authorities. We have again acted as a resource hub distributing rice and basic hygiene goods to many of the most vulnerable families in our community. This has been supported by our donors' generosity. The provincial authorities have also looked to Epic Arts to expand our ChildSafe programme which develops and advocates child protection and safeguarding structures in Kampot. This role has been needed as much as ever and the workload increased significantly in 2021.

Epic Arts is rooted in interacting and engaging with our local, national and international communities through our creativity, educational programmes and social enterprises. To have faced a second year of disrupted and restricted activities has been difficult and frustrating for everyone involved in the charity. The Board is enormously proud of and grateful to the staff and students of Epic Arts for the way they have continued to adapt so creatively to these constantly changing and uncertain circumstances and have continued to uphold our work and values which are at the heart of all that we do.

**EPIC ARTS
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021**

In planning Epic Arts' activities the Directors have had regard to the guidance issued by the Charity Commission in December 2008 on public benefit.

Structure, governance and management

The policies and strategic decisions of the charity, and the monitoring of their implementation, rest with the Directors who met four times in 2021.

Financial review

The Board is enormously grateful for the support, investment and generosity of a wide range of donors during a time when donors themselves faced uncertainties and difficult choices.

2021 has been another challenging year financially. Total income fell £51,518 (25.9%) to £147,026 (2020: £198,544). Our income from major donors fell slightly but held up reasonably well at £102,726 (2020: £117,681). The main contributor to the fall in total income was the decline in income from our charitable activities. This is the income from our social enterprises; it fell £36,585 (48.9%) to £38,279 (2020: £74,864). In both 2018 and 2019 (the last two full years before the pandemic) the income from these enterprises exceeded £174,000 per annum; their net income represented our largest source of unrestricted funds. As highlighted above, the fall in this income has been almost entirely due to the covid-related collapse of international tourism and travel in Cambodia and SE Asia. Although we took significant measures in 2021 to reduce our total expenditure by £24,830 (10.8%) to £205,760 (2020: £230,590) our net loss was £58,734 (2020: £32,046 deficit).

Epic Arts' finances over 2020 and 2021 have needed careful management. Before the pandemic we identified a potential over-dependence on major donors as a key strategic risk and we built up our social enterprises as a risk mitigation to broaden our sources of income. When the pandemic hit Cambodia it was the income from our social enterprises that was most severely affected. Against this background, our strategy has been to maintain, as far as possible, our programmes and to keep as many as possible of our staff employed. Large numbers of our staff are disabled and vulnerable and would struggle to find alternative employment. Some of them have been loyal with us for nearly 20 years. Also, we decided if we were to rebound from the pandemic we needed to maintain key staff that had the skills and experience to grow and develop our social enterprises. These skills have been nurtured over many years and cannot readily be replaced.

Nevertheless, over this two year period we took measures to reduce our costs. Staff numbers fell from 53 to 38 (largely through leaving vacancies unfilled) and other cost reduction measures reduced total expenditure by 26.3% (£73,370). We are enormously grateful to our staff for facilitating some of these cost reductions. We are also grateful to our donors who have been flexible in the use of some of their funding. This has directly enabled us to maintain the employment of some disabled and vulnerable staff.

Throughout this period the Board and senior management have worked closely together and increased the monitoring and reporting of emerging risks, our cash flow and the overall financial position.

As at 31 December 2021, Epic Arts held £123,947 in bank accounts (2020: £187,966). Because our work in Cambodia is US dollar based we are generally exposed to modest foreign exchange gains and losses. In 2021 there was a foreign exchange loss of £3,115 because of sterling's depreciation.

Reserves policy

Directors accepted, given the unprecedented circumstances of the pandemic, that part of the financial strategy would be to draw down our reserves in order to protect and support our staff, skill base and programmes. As a result, our net assets fell; as at 31 December 2021 they were £106,899 (2020: £165,633).

Our free reserves were also impacted. The Board of Directors have a long-established policy whereby these reserves should be maintained at sufficient to cover three months' committed expenditure. At 31 December 2021 free reserves were £19,717 (2020: £37,752). This is equivalent to 3.9 months' committed expenditure. Given the structure of the charity's income in 2021, it was inevitable that unrestricted cash (at bank and in hand) would be used to cover some of our deficit. As at 31 December 2021 these funds totalled £29,687 (2020: £53,727). Directors are committed to maintaining free reserves consistent with the Board's policy and aim to rebuild the level of our net assets and free reserves to mitigate future financial risks.

**EPIC ARTS
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Key risks, Covid-19 pandemic and plans for the future

The Directors continue to review regularly the risks to which a UK-registered charity operating in Cambodia is exposed and are fully committed to ensuring appropriate procedures and mitigation policies are in place.

Our hope is that the worst of the pandemic is behind us and Epic Arts is now focussing on the future. Looking ahead for the rest of 2022 and through 2023, the key objective is to restore and develop our programmes. A vital part of the recovery strategy is building up and growing our social enterprises in order to generate more of our own income which is the most flexible form of income for a charity of our size. Later this year we will be moving the café to a new site that offers a better location, and improved accessibility, flexibility and facilities. We are also looking to expand the brand by developing a commissary kitchen project. Cafe sales for the first six months of 2022 increased by almost 170% compared with the same period in 2021. There are encouraging signs this growth will continue as the main tourist season starts later in the year.

We also see growing opportunities for Epic Encounters. We plan to be involved in more arts festivals and tours, more online performances and develop a higher profile in the inclusive arts world. This work is beginning to start up again. In recent months we have provided commissioned work for an online arts festival in Hong Kong and have had enquiries to participate in festivals in a number of other SE Asian countries. Epic Encounters' income for the first six months of 2022 has also shown strong growth compared with the same period in 2021.

We have taken the opportunity to reconfigure our Inclusive Arts Course. It will now offer both creative and hospitality streams (along with teaching English, computer and administrative skills). We hope this more focussed course will provide better and more predictable employment opportunities for our graduates, including with Epic Arts. We will be expanding our community-based child protection team as our workload in Kampot has increased. This links into our work with vulnerable children/adults through our Inclusive Education programmes and the issues our students face at home and in their local communities. It also helps us develop closer connections with the wider Kampot community and the regional government.

The Board and staff of Epic Arts are looking to the future with renewed vision and energy. It remains a challenging time for Epic Arts but, as we hopefully emerge from the pandemic, our plans and strategy for the future will help ensure Epic Arts remains financially viable and able to meet the challenges of 2023.

Responsibilities of directors under company law

The directors 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 directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the directors are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Approval

This report was approved by the directors on 24 September 2022 and signed on their behalf by:

DERMOT TRIMBLE

EPIC ARTS INDEPENDENT EXAMINER'S REPORT

I report to the trustees on my examination of the financial statements of Epic Arts ('the charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

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

Respective responsibilities of the trustees and examiner

The charity's trustees are responsible for the preparation of financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ('the 2011 Act') and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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

Independent examiner's statement

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

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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

A Warren, FCA

For and on behalf of McBrides Accountants LLP, Nexus House, 2 Cray Road, Kent, DA14 5DA

Date: 28 September 2022

EPIC ARTS

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	59,113	43,613	102,726	117,681
Charitable activities	4	38,279	-	38,279	74,864
Other income	5	4,569	-	4,569	4,433
Recovery of funds	21	1,452	-	1,452	1,566
Total income and endowments		<u>103,413</u>	<u>43,613</u>	<u>147,026</u>	<u>198,544</u>
EXPENDITURE ON:					
Charitable activities	6	156,766	48,994	205,760	230,590
Raising funds	7	-	-	-	-
Total expenditure		<u>156,766</u>	<u>48,994</u>	<u>205,760</u>	<u>230,590</u>
Net gains/(losses) on investments		-	-	-	-
Net loss		<u>(53,353)</u>	<u>(5,381)</u>	<u>(58,734)</u>	<u>(32,046)</u>
Transfers between funds	17	34,598	(34,598)	-	-
Net movement in funds		<u>(18,755)</u>	<u>(39,979)</u>	<u>(58,734)</u>	<u>(32,046)</u>
Reconciliation of funds:					
Total funds brought forward		<u>39,512</u>	<u>126,121</u>	<u>165,633</u>	<u>197,679</u>
Total funds carried forward	17	<u>20,757</u>	<u>86,142</u>	<u>106,899</u>	<u>165,633</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account required by the Companies Act 2006.

EPIC ARTS
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
FIXED ASSETS					
Tangible assets	10	1,040	-	1,040	1,760
		<u>1,040</u>	<u>-</u>	<u>1,040</u>	<u>1,760</u>
CURRENT ASSETS					
Stock	11	1,134	-	1,134	1,313
Debtors	12	584	-	584	1,822
Cash at bank and in hand	13	29,687	94,260	123,947	187,966
		<u>31,405</u>	<u>94,260</u>	<u>125,665</u>	<u>191,101</u>
CREDITORS: Amounts falling due within one year	14	11,688	8,118	19,806	27,228
		<u>11,688</u>	<u>8,118</u>	<u>19,806</u>	<u>27,228</u>
Net current assets / (liabilities)		<u>19,717</u>	<u>86,142</u>	<u>105,859</u>	<u>163,873</u>
Total assets less current liabilities		<u>20,757</u>	<u>86,142</u>	<u>106,899</u>	<u>165,633</u>
Net assets / (liabilities)		<u>20,757</u>	<u>86,142</u>	<u>106,899</u>	<u>165,633</u>
TOTAL NET ASSETS		<u>20,757</u>	<u>86,142</u>	<u>106,899</u>	<u>165,633</u>
FUND BALANCES					
Unrestricted Funds	17				
General funds		20,757	-	20,757	39,512
		<u>20,757</u>	<u>-</u>	<u>20,757</u>	<u>39,512</u>
Restricted Funds		-	86,142	86,142	126,121
		<u>20,757</u>	<u>86,142</u>	<u>106,899</u>	<u>165,633</u>

EPIC ARTS
BALANCE SHEET (Continued)
AS AT 31 DECEMBER 2021

Under the Companies Act 2006, s454, on a voluntary basis, the trustees can amend these financial statements if they subsequently prove to be defective.

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The directors (who are the charitable company's trustees for the purposes of charity law) acknowledge their responsibilities for:

- (a) ensuring that the charitable company keeps accounting records which 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 net income or expenditure 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 have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 24 September 2022 and were signed on its behalf by:

DERMOT TRIMBLE

GOURI KUBAIR

Company number:	4273231
Charity number:	1091059

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities, services and goods. Goods donated for distribution to beneficiaries are recognised as income when receivable at fair value (being an estimate of the amount it would cost to purchase those items). Facilities, services and goods donated for the charity's own use are recognised as income when receivable at their value to the charity.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. At the year end any goods that have not been distributed or consumed are recognised as stock; donated fixed assets are capitalised.

- iii) Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from the charity's social enterprises: Creations shop, cafe and the dance group Epic Encounters.

Other income includes rental income.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The cost of raising funds is not significant and has not been separately disclosed.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Motor vehicles	Over 4 years on a 25% straight line basis
Equipment	Over 4 years on a 25% straight line basis

Property purchase and improvements undertaken in Cambodia are treated as an expense in the year the expenditure is incurred since, under Cambodian law, property is not owned by the charity. Any expenditure is separately detailed in note 6.

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Stocks:

Stocks of goods purchased for re-sale are stated at the lower of cost and net realisable value.

g) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no UK tax is payable on the charity's income.

h) Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as financial assets or financial liabilities. The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial, in which case they are stated at cost (less impairment where appropriate).

i) Foreign Currency Translation

These financial statements are presented in sterling. The charity's functional currency is US Dollar.

i) Income and expenditure denominated in a foreign currency is translated into sterling at the average annual exchange rate.

ii) Monetary assets and liabilities denominated in a foreign currency are re-translated at the exchange rate prevailing at the balance sheet date.

iii) Non-monetary assets are measured at historic cost at the rate of exchange prevailing on the date of the transaction and are not subsequently re-translated.

All differences arising from the application of the above policy are charged (or credited) to the Statement of Financial Activities.

j) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

k) Critical accounting estimates and areas of judgement

The trustees do not consider that there any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Donations of cash and similar	7,596	-	7,596	21,776
Other grants receivable	51,517	43,613	95,130	95,905
	<u>59,113</u>	<u>43,613</u>	<u>102,726</u>	<u>117,681</u>

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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4 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Café sales	30,372	-	30,372	65,647
Shop sales	1,425	-	1,425	2,479
Workshops & Events	6,482	-	6,482	6,738
Ticket sales	-	-	-	-
	<u>38,279</u>	<u>-</u>	<u>38,279</u>	<u>74,864</u>

5 Other income

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Other income	4,569	-	4,569	4,433
	<u>4,569</u>	<u>-</u>	<u>4,569</u>	<u>4,433</u>

6 Charitable expenditure

	UK £	Cambodia £	Total 2021 £	Total 2020 £
a Costs incurred directly on specific activities				
Project costs and related staff costs	-	110,495	110,495	128,559
Café and related staff costs	-	39,092	39,092	49,403
Shop	-	953	953	2,055
Rent and rates	-	9,656	9,656	11,260
	<u>-</u>	<u>160,196</u>	<u>160,196</u>	<u>191,277</u>
b Costs incurred on support & administration				
Governance costs				
Cost of accounts preparation & independent examination	-	5,138	5,138	8,143
Board meeting costs	-	-	-	127
	<u>-</u>	<u>5,138</u>	<u>5,138</u>	<u>8,270</u>
Core office running costs		21,331	21,331	15,227
Office equipment costs		8,338	8,338	11,567
Exchange differences		3,115	3,115	(2,658)
Depreciation of tangible fixed assets		720	720	720
Repairs and maintenance		3,414	3,414	2,367
Office utility costs		1,481	1,481	1,679
Telephone and internet		1,342	1,342	1,733
Bank charges and fees		685	685	408
	<u>-</u>	<u>45,564</u>	<u>45,564</u>	<u>39,313</u>
Total expenditure	<u>-</u>	<u>205,760</u>	<u>205,760</u>	<u>230,590</u>

7 Cost of raising funds

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Fundraising costs	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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8 Theft of funds

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Theft of funds (see Note 21)	-	-	-	-
Less amount returned	(1,452)	-	(1,452)	(1,566)
	<u>(1,452)</u>	<u>-</u>	<u>(1,452)</u>	<u>(1,566)</u>

9 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

	2021 £	2020 £
Gross wages and salaries (and social security costs)	109,132	116,987
	<u>109,132</u>	<u>116,987</u>

The average monthly number of employees during the year was 38 (2020: 45).

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees and the key staff named on the Company Information page. Total employment benefits payable to key management for the year were as follows:

	2021 £	2020 £
Other (non-trustee) members of key management	36,490	37,122
	<u>36,490</u>	<u>37,122</u>

No trustees received employment benefits in either the current or preceding year.

10 Tangible fixed assets

	Fixtures, fittings and equipment £	Motor Vehicles £	Total 2021 £
Cost			
At 1 January 2020	5,539	8,591	14,130
Additions	-	-	-
At 31 December 2021	<u>5,539</u>	<u>8,591</u>	<u>14,130</u>
Accumulated depreciation			
At 1 January 2020	3,779	8,591	12,370
Charge for the year	720	-	720
At 31 December 2021	<u>4,499</u>	<u>8,591</u>	<u>13,090</u>
Net book value			
At 31 December 2021	<u>1,040</u>	<u>-</u>	<u>1,040</u>
At 31 December 2020	<u>1,760</u>	<u>-</u>	<u>1,760</u>

11 Stock

	2021 £	2020 £
Purchased for re-sale, at cost	1,134	1,313
	<u>1,134</u>	<u>1,313</u>

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

		15
12	Debtors	
		2021 £
		2020 £
	Falling due within one year:	
	Tax recoverable	- 211
	Other debtors	96 -
	Prepayments and accrued income	488 1,611
		584 1,822

13 Cash at Bank and in Hand	2021 £	2020 £
Cash at Bank - UK	70,692	131,956
Cash at Bank and in hand - Overseas	53,255	56,010
	<u>123,947</u>	<u>187,966</u>

14 Creditors: liabilities falling due within one year	2021 £	2020 £
Other creditors	4,672	3,450
Accruals	8,417	7,924
Deferred income	6,717	15,853
	<u>19,806</u>	<u>27,228</u>

15 Deferred income

Deferred income comprises the following:

	2021 £	2020 £
Balance at the beginning of the reporting period	15,853	13,319
Amount released to income	(15,853)	(13,319)
Amount deferred in year	6,717	15,853
Balance at the end of the reporting period	<u>6,717</u>	<u>15,853</u>

The income deferred at the period end will be released to income over the following periods:

Within one year	6,717	15,853
	<u>6,717</u>	<u>15,853</u>

The balance on deferred income represents performance-related grant monies, and contractual monies, being received in advance of the conditions controlling entitlement being fulfilled.

16 Pension commitments

There are no employer pension costs for Cambodian staff. There are payments made monthly for workers compensation and medical insurance.

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

16

17 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2021 £	Incoming resources 2021 £	Outgoing resources 2021 £	Transfers in the year 2021 £	Closing balance 2021 £
<i>General Unrestricted Funds</i>	39,512	103,413	(156,766)	34,598	20,757
Total Unrestricted Funds	39,512	103,413	(156,766)	34,598	20,757
<i>Restricted Funds</i>					
Café Building Project	90,000	-	-	(34,598)	55,402
Inclusive Education Programme	36,167	-	(4,430)	-	31,737
World Childhood Foundation and smaller projects	(46)	28,870	(29,891)	-	(1,067)
Encounter	-	1,540	(1,540)	-	-
Friends International	-	12,525	(12,455)	-	70
US Embassy	-	678	(678)	-	-
	126,121	43,613	(48,994)	(34,598)	86,142
Aggregate of funds	165,633	147,026	(205,760)	-	106,899

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted Funds		Restricted funds	2021
	General funds	Designated funds	funds	£
	£	£	£	
Fixed assets	1,040	-	-	1,040
Stock	1,134	-	-	1,134
Debtors	584	-	-	584
Cash at bank and in hand	29,687	-	94,260	123,947
Current liabilities	(11,688)	-	(8,118)	(19,806)
	20,757	-	86,142	106,899

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

17

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2020 £	Incoming resources 2020 £	Outgoing resources 2020 £	Transfers in the year 2020 £	Closing balance 2020 £
<i>General Unrestricted Funds</i>	69,562	106,839	(136,889)	-	39,512
Total Unrestricted Funds	69,562	106,839	(136,889)	-	39,512
<i>Restricted Funds</i>					
Café Building Project	90,000	-	-	-	90,000
Community Arts Programme	744	-	(1,489)	-	(745)
Inclusive Education Programme	35,948	13,651	(12,687)	-	36,912
World Childhood Foundation and smaller projects	(10)	33,916	(33,952)	-	(46)
Core Projects	478	-	(478)	-	-
Epic Encounters	-	-	-	-	-
Arts-related Projects	957	-	(957)	-	-
Advocacy & Policy Institute - disabilities	-	-	-	-	-
access to Cambodia's national Social	-	-	-	-	-
Accountability Framework (I-SAF)	-	10,456	(10,456)	-	-
Disabilities empowerment	-	23,010	(23,010)	-	-
Light for the World (LFTW)	-	10,672	(10,672)	-	-
	128,117	91,705	(93,701)	-	126,121
Aggregate of funds	197,679	198,544	(230,590)	-	165,633

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted Funds			2020
	General funds £	Designated funds £	Restricted funds £	£
Fixed assets	1,760	-	-	1,760
Stock	1,313	-	-	1,313
Debtors	1,822	-	-	1,822
Cash at bank and in hand	53,727	-	134,239	187,966
Current liabilities	(19,110)	-	(8,118)	(27,228)
	39,512	-	126,121	165,633

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

18

The purposes of the restricted funds are as follows:

Café Building Project

Money donated towards the planning, purchase and development of a new café building in Cambodia.

Community Arts Programme

This programme responds to the needs of our local Kampot community taking dance, drama and visual arts to schools and community venues.

Inclusive Education Programme

These programmes provide high-quality, creative and inclusive educational opportunities for children and young people of all abilities.

World Childhood Foundation and smaller projects

Funding to enable Epic Arts to address child protection issues in Kampot; we are the only local agency providing such services.

Core Projects

Funding of salary and support costs for employing one of the graduates from our Inclusive Arts Course.

Arts-related Projects

Other inclusive arts projects fulfilling our charitable objects.

18 Operating lease commitments

A new two year lease was agreed in August 2021 at a rental of \$1,200 per month. The minimum amounts payable (until the next break clause and ignoring the potential effect of future rent reviews) in respect of this lease is as follows (translated at 31 Dec rates):

	2021	2020
	£	£
Payments falling due:		
Within one year	5,333	9,150
Between one and five years	-	-
	<u>5,333</u>	<u>9,150</u>

During the year the charity was charged £9,150 (2020: £9,150) for its operating lease (translated at average annual rates).

19 Transactions with related parties

During the year the charity:

- a) received donations totalling £360 (2020: £10,360) from related parties (which includes trustees, anyone closely connected to them and key management).
- b) paid expenses totalling £Nil (2020: £127) for the trustee board for costs incurred whilst carrying out duties associated with being trustees; reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee are not included in this disclosure.

20 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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21 Recovery of funds

As noted in the 2018 Report and Accounts, the charity became aware in June 2019 of an internal fraud in the Cambodian operation which had been perpetrated since 2013, resulting in £74,569 of cafe takings (all in the general fund) having been misappropriated. Since that point £70,689 of the stolen funds have been reimbursed. The perpetrator of the fraud is continuing to make repayments under an agreed scheduled and the charity expects a full recovery of these funds. The table below shows the periods in which the fraud occurred, and to which the reimbursements relate:

	Amount stolen £	Amount reimbursed £	Net expense £
2013-2016	38,175	(31,277)	6,898
2017	7,697	(7,697)	-
2018	14,806	(14,806)	-
2019	13,891	(13,891)	-
2020	-	(1,566)	(1,566)
2021	-	(1,452)	(1,452)
Total as at 31 December 2021	<u>74,569</u>	<u>(70,689)</u>	<u>3,880</u>

Allocation of funds recovered

	2021 £	2020 £
Reimbursed	1,452	1,566
Allocation:		
Theft of funds - expenditure in year	-	-
Recovery of funds - Income in year	<u>1,452</u>	<u>1,566</u>

Note 8

22 ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

EPIC ARTS

DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted Funds - General		Restricted Funds		Total Funds	Total Funds
	Note	2021	2020	2021	2020	2021	2020
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	3	59,113	25,976	43,613	91,705	102,726	117,681
Charitable activities	4	38,279	74,864	-	-	38,279	74,864
Other income	5	4,569	4,433	-	-	4,569	4,433
Recovery of funds	21	1,452	1,566	-	-	1,452	1,566
Total income and endowments		103,413	106,839	43,613	91,705	147,026	198,544
EXPENDITURE ON:							
Charitable activities:	6	156,766	136,889	48,994	93,701	205,760	230,590
Raising funds	7	-	-	-	-	-	-
Total Expenditure		156,766	136,889	48,994	93,701	205,760	230,590
Net income/(expenditure)		(53,353)	(30,050)	(5,381)	(1,996)	(58,734)	(32,046)
Transfers between funds	17	34,598	-	-	34,598	-	-
		(18,755)	(30,050)	(39,979)	(1,996)	(58,734)	(32,046)
Net movement in funds		(18,755)	(30,050)	(39,979)	(1,996)	(58,734)	(32,046)
Reconciliation of funds:							
Total funds brought forward		39,512	69,562	126,121	128,117	165,633	197,679
Total funds carried forward	17	20,757	39,512	86,142	126,121	106,899	165,633

Accounts

EPIC ARTS
REPORT AND ACCOUNTS FOR THE YEAR
ENDED 31 DECEMBER 2020

Charity number: 1091059

EPIC ARTS**INDEX TO ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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EPIC ARTS

COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2020

Directors and Trustees	M Burr L Davolio H Goad C Hooke D Trimble
Company Secretary	H Goad
Key Staff	S Onn (Country Director) A Evans (Executive Director) B Ou (Operations Manager) R Chea (Senior Accountant)
Governing Document	Memorandum and Articles of Association dated February 2002
Company Registration Number	04273231
Charity Registration Number	1091059
Registered Office	Attenborough Arts Centre Lancaster Rd Leicester LE1 7HA
Principal Address	Epic Arts Sovann Sakor Kompong Kandal Kampot Cambodia
Independent Examiner	McBrides Accountants LLP Nexus House 2 Cray Road Sidcup, Kent DA14 5DA
Bankers	The Co-Operative Bank ACLEDA Bank (Cambodia)

EPIC ARTS REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2020

The directors, who are the charity's trustees for the purpose of charity law, have pleasure in submitting the Report and Accounts for the year.

Objects of the charity

The charity is a charitable company and is governed by its memorandum and articles of association. The objects of the charity, as set out in the governing document, are:

- a) to promote education and in particular art and drama
- b) to relieve and benefit those suffering from a physical and mental disability;

in each case primarily by provision of high quality arts programmes designed to involve people of all abilities and disabilities anywhere in the world always that in furthering these objects the charity shall have regard to the tenets of the Christian faith.

Summary of the charity's main activities and achievements

Despite the Covid-19 pandemic, Epic Arts has continued to promote and celebrate diversity and inclusion with people of all abilities. Our work is based in Kampot, Cambodia where we use the arts, education and our social enterprises as tools for personal transformation and changing societal attitudes. Our team in Kampot have worked with extraordinary commitment and dedication in this challenging and frustrating year.

During 2020 Cambodia was less affected than many countries by Covid-19 with a small number of cases and no reported deaths. Nevertheless, all of our three core programmes – inclusive education, social enterprises and work in our local community – were impacted by the pandemic.

The Special Education Project (SEP) offers high-quality, creative and educational programmes to children and young people with learning disabilities in Kampot, many of whom would not otherwise have access to an education. We were able to run the SEP for much of year. There were periodic government closures of all schools and during these times our teaching staff remained in contact with our students and their families offering vital support and advice. Students on our Inclusive Arts Course (IAC) – a two-year course for students of all abilities – graduated in April 2020. A number then joined our professional dance and theatre teams. We had planned to start an IAC in September 2020 but this was not possible; the next IAC is now unlikely to begin until April 2022 at the earliest.

Epic Arts' social enterprises are a vital interface between our educational and training programmes and our promotion of equality and diversity. They provide work opportunities for people with disabilities and are the visible and tangible expression of inclusion in a country where work opportunities for people with disabilities are limited. They also make a vital contribution to our financial sustainability; surpluses are invested back into our work. Of all Epic Arts' activities, our social enterprises have been most affected by the pandemic. They depend heavily on international tourism and travel. From March 2020 onwards, tourism to Cambodia virtually dried up. Our cafe in Kampot remained open for most of the year but experienced a 53% fall in income. Our dance and theatre companies maintained an online presence but were unable to perform live nationally or internationally; their workshops with international schools and corporates were also curtailed.

Epic Arts' community-based programmes – responding to the creative needs of our local Kampot community – have also been disrupted. We have though been able to make a significant contribution to our community by acting as a resource and distribution hub. Through the generosity of our donors our staff have been able to distribute rice and basic hygiene goods to many of the most vulnerable families in our community. Epic Arts' leadership in developing and advocating child protection and safeguarding structures in Kampot has continued; this role has been needed as much as ever.

Epic Arts is a charity rooted in interacting and engaging with our local, national and international communities through our creativity and social enterprises. To have been so restricted in 2020 has been difficult and frustrating for everyone involved in the charity. The board is enormously proud of and grateful to the staff and students of Epic Arts for the way they have adapted to these constantly changing and uncertain circumstances and have continued to uphold our work and values which are at the heart of all that we do.

In planning Epic Arts' activities the directors have had regard to the guidance issued by the Charity Commission in December 2008 on public benefit.

Structure, governance and management

The policies and strategic decisions of the charity, and the monitoring of their implementation, rest with the directors who met four times in 2020.

EPIC ARTS REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

The board is enormously grateful for the support, investment and generosity of a wide range of donors during a year when donors themselves faced challenges and difficult choices. Largely as a result of a decline in income from our social enterprises our Total Income fell to £198,544 (2019: £425,468). During 2020, we implemented cost reduction measures and raised additional funds. Epic Arts recognised a net loss for the year of £(32,046). (2019: £146,329 surplus)

As at 31 December 2020, Epic Arts held £187,966 in bank accounts. Because our work in Cambodia is US dollar based we are generally exposed to modest foreign exchange gains and losses. In 2020 there was a foreign exchange gain of £2,658 because of sterling's appreciation.

In March 2021 it came to light that our Accountant had stolen US\$4,000. Senior management quickly identified the theft and strengthened our systems and controls. No donor funds were affected. We immediately informed our Independent Examiner and the Charity Commission. In their most recent communication to us the Commission wrote 'Based on the information you have provided, which we assume is a full and frank disclosure of the relevant facts, you have assured us that the trustees are dealing with the matter appropriately and responsibly'. The stolen funds were repaid in full in May.

Reserves policy

The board of directors have established a policy whereby free reserves held by the charity should be maintained at sufficient to cover three months' committed expenditure. At 31 December 2020 free reserves were £39,512 (2019: £69,562). This is equivalent to 2.9 months' committed expenditure. At 31 December 2020, net assets were £165,633 (2019: £197,679). The board is looking to restore the reserves target as soon as practicable.

Key risks, Covid-19 pandemic and plans for the future

The directors continue to review regularly the risks to which a small UK-registered charity operating in Cambodia is exposed and are fully committed to ensuring appropriate procedures and mitigation policies are in place.

With the spread of the Delta coronavirus variant in 2021, the number of Covid-related cases and deaths in Cambodia has risen significantly. Lockdowns and continuing restrictions on travel within Cambodia and international tourism means that our social enterprises are unlikely to see any material recovery this year. Where possible we are continuing to adjust and develop all our programmes to take account of these changed circumstances. We continue to look for new outlets and opportunities for our work. We have orientated our social enterprises towards the Cambodian market and are building up our local community work. We forecast total income for this year will be 40% higher than in 2020 reflecting increased donor support. Given the general uncertainties we have implemented further cost reductions as well as successfully raising additional funds.

The board is hugely grateful to the management and staff of Epic Arts for the way they are continuing to respond to the pandemic with vision and commitment. It remains a difficult time for Epic Arts but the decisions taken this year, as outlined above, will help ensure Epic Arts remains financially viable and able to meet the challenges of 2022.

Responsibilities of directors under company law

The directors 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 directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the directors are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

**EPIC ARTS
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

Approval

This report was approved by the directors on 23 September 2021 and signed on their behalf by:

DERMOT TRIMBLE

EPIC ARTS

INDEPENDENT EXAMINER'S REPORT

I report to the trustees on my examination of the financial statements of Epic arts ('the charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

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

Respective responsibilities of the trustees and examiner

The charity's trustees are responsible for the preparation of financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ('the 2011 Act') and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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

Independent examiner's statement

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

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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

A Warren, FCA

For and on behalf of McBrides Accountants LLP, Nexus House, 2 Cray Road, Kent, DA14 5DA

Date: 28 September 2021

EPIC ARTS
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	25,976	91,705	117,681	208,897
Charitable activities	4	74,864	-	74,864	174,737
Other income	5	4,433	-	4,433	4,632
Recovery of funds	21	1,566	-	1,566	37,202
Total income and endowments		<u>106,839</u>	<u>91,705</u>	<u>198,544</u>	<u>425,468</u>
EXPENDITURE ON:					
Charitable activities	6	136,889	93,701	230,590	277,843
Raising funds	7	-	-	-	1,296
Total expenditure		<u>136,889</u>	<u>93,701</u>	<u>230,590</u>	<u>279,139</u>
Net income		<u>(30,050)</u>	<u>(1,997)</u>	<u>(32,046)</u>	<u>146,329</u>
		<u>(30,050)</u>	<u>(1,996)</u>	<u>(32,046)</u>	<u>146,329</u>
Net movement in funds		<u>(30,050)</u>	<u>(1,996)</u>	<u>(32,046)</u>	<u>146,329</u>
Reconciliation of funds:					
Total funds brought forward		69,562	128,117	197,679	51,350
Total funds carried forward	17	<u>39,512</u>	<u>126,121</u>	<u>165,633</u>	<u>197,679</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account required by the Companies Act 2006.

The notes on page 11-19 form part of these accounts.

EPIC ARTS
BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
FIXED ASSETS					
Tangible assets	10	1,760		1,760	2,480
		<u>1,760</u>	<u>-</u>	<u>1,760</u>	<u>2,480</u>
CURRENT ASSETS					
Stock	21 11	1,313		1,313	1,379
Debtors	12	1,822		1,822	3,514
Cash at bank and in hand	13	53,727	134,239	187,966	218,583
		<u>56,862</u>	<u>134,239</u>	<u>191,101</u>	<u>223,476</u>
CREDITORS: Amounts falling due within one year	14	19,110	8,118	27,228	28,277
		<u>37,752</u>	<u>126,121</u>	<u>163,873</u>	<u>195,199</u>
Net current assets / (liabilities)					
		<u>37,752</u>	<u>126,121</u>	<u>163,873</u>	<u>195,199</u>
Total assets less current liabilities		<u>39,512</u>	<u>126,121</u>	<u>165,633</u>	<u>197,679</u>
Net assets / (liabilities)		<u>39,512</u>	<u>126,121</u>	<u>165,633</u>	<u>197,679</u>
TOTAL NET ASSETS		<u>39,512</u>	<u>126,121</u>	<u>165,633</u>	<u>197,679</u>
FUND BALANCES					
	17				
Unrestricted Funds					
General funds		39,512	-	39,512	69,562
		<u>39,512</u>	<u>-</u>	<u>39,512</u>	<u>69,562</u>
Restricted Funds		-	126,121	126,121	128,117
		<u>39,512</u>	<u>126,121</u>	<u>165,633</u>	<u>197,679</u>

The notes on page 11-19 form part of these accounts.

EPIC ARTS
BALANCE SHEET (Continued)
AS AT 31 DECEMBER 2020

Under the Companies Act 2006, s454, on a voluntary basis, the trustees can amend these financial statements if the subsequently prove to be defective.

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 however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an independent examiner and their report has been included in these financial statements.

The notes on page 11-19 form part of these accounts.

- (a) ensuring that the charitable company keeps accounting records which 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 net income or expenditure 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 have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 23 September 2021 and were signed on its behalf by:

DERMOT TRIMBLE

MICHAEL BURR

Company number:	4273231
Charity number:	1091059

The notes on page 11-19 form part of these accounts.

EPIC ARTS

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Statutory Information

The charity is a charitable company limited by guarantee and is incorporated in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention.

These financial statements have been prepared in accordance with the "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the Charities SORP")", with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), with the Companies Act 2006 and with the Charities Act 2011.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The trustees (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income including investment income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) Donated facilities, services and goods. Goods donated for distribution to beneficiaries are recognised as income when receivable at fair value (being an estimate of the amount it would cost to purchase those items). Facilities, services and goods donated for the charity's own use are recognised as income when receivable at their value to the charity.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. At the year end any goods that have not been distributed or consumed are recognised as stock; donated fixed assets are capitalised.

- iii) Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from the Creations shop and café.

Other income includes rental income.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The cost of raising funds is not significant and has not been separately disclosed.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £1,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Motor vehicles	Over 4 years on a 25% straight line basis
Equipment	Over 4 years on a 25% straight line basis

Property purchase and improvements undertaken in Cambodia are treated as an expense in the year the expenditure is incurred since, under Cambodian law, property is not owned by the charity. Any expenditure is separately detailed in note 6.

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Stocks:

Stocks of goods purchased for re-sale are stated at the lower of cost and net realisable value.

g) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

h) Taxation

The company is a registered charity; it has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

i) Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as financial assets or financial liabilities. The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial, in which case they are stated at cost (less impairment where appropriate).

j) Foreign Currency Translation

These financial statements are presented in sterling, which is the charity's functional currency.

i) Income and expenditure denominated in a foreign currency is translated into sterling at the average annual exchange rate.

ii) Monetary assets and liabilities denominated in a foreign currency are re-translated at the exchange rate prevailing at the balance sheet date.

iii) Non-monetary assets are measured at historic cost at the rate of exchange prevailing on the date of the transaction and are not subsequently re-translated.

All differences arising from the application of the above policy are charged (or credited) to the Statement of Financial Activities.

k) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

l) Critical accounting estimates and areas of judgement

The trustees do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Donations of cash and similar	21,776	-	21,776	84,327
Other grants receivable	4,200	91,705	95,905	120,455
Income tax recoverable	-	-	-	4,115
	<u>25,976</u>	<u>91,705</u>	<u>117,681</u>	<u>208,897</u>

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

				13
4	Income from charitable activities			
		Unrestricted Funds £	Restricted Funds £	Total 2020 £
				Total 2019 £
	Café sales	65,647	-	65,647
	Shop sales	2,479	-	2,479
	Workshops & Events	6,738	-	6,738
	Ticket sales	-	-	-
		<u>74,864</u>	<u>-</u>	<u>74,864</u>
				<u>174,737</u>
5	Other income			
		Unrestricted Funds £	Restricted Funds £	Total 2020 £
				Total 2019 £
	Other income	4,433	-	4,433
		<u>4,433</u>	<u>-</u>	<u>4,433</u>
				<u>4,632</u>
6	Charitable expenditure			
		UK £	Cambodia £	Total 2020 £
				Total 2019 £
a	Costs incurred directly on specific activities			
	Project costs and related staff costs		128,559	128,559
	Café and related staff costs		49,403	49,403
	Shop		2,055	2,055
	Rent and rates		11,260	11,260
		<u>-</u>	<u>191,277</u>	<u>191,277</u>
				<u>235,756</u>
b	Costs incurred on support & administration			
	Governance costs			
	Cost of accounts preparation & independent examination		8,143	8,143
	Board meeting costs	-	127	127
		<u>-</u>	<u>8,270</u>	<u>8,270</u>
				<u>8,984</u>
	Core office running costs		15,227	15,227
	Office equipment costs		11,567	11,567
	Exchange differences		(2,658)	(2,658)
	Depreciation of tangible fixed assets		720	720
	Repairs and maintenance		2,367	2,367
	Office utility costs		1,679	1,679
	Telephone and internet		1,733	1,733
	Insurance		-	-
	Bank charges and fees		408	408
		<u>-</u>	<u>39,313</u>	<u>39,313</u>
				<u>42,088</u>
	Total expenditure	<u>-</u>	<u>230,590</u>	<u>230,590</u>
				<u>277,843</u>
7	Cost of raising funds			
		Unrestricted Funds £	Restricted Funds £	Total 2020 £
				Total 2019 £
	Fundraising costs	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>
				<u>1,296</u>
				<u>1,296</u>

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

8 Theft of funds	14
	Total 2020 £
	Total 2019 £
Theft of funds (see Note 22)	13,891
Less amount returned	(13,891)
	<u>(1,566)</u>
	<u>(1,566)</u>

9 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

	2020 £	2019 £
Gross wages and salaries (and social security costs)	116,987	108,110
	<u>116,987</u>	<u>108,110</u>

The average monthly number of employees during the year was 45 (2019: 53).

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the trustees and the key staff named on the Company Information page. Total employment benefits payable to key management for the year were as follows:

	2020 £	2019 £
Other (non-trustee) members of key management	37,122	33,093
	<u>37,122</u>	<u>33,093</u>

No trustees received employment benefits in either the current or preceding year.

10 Tangible fixed assets

	Fixtures, fittings and equipment £	Motor Vehicles £	Total 2020 £
Cost			
At 1 January 2020	5,539	8,591	14,130
Additions	-	-	-
At 31 December 2020	<u>5,539</u>	<u>8,591</u>	<u>14,130</u>
Accumulated depreciation			
At 1 January 2020	3,059	8,591	11,650
Charge for the year	720	-	720
At 31 December 2020	<u>3,779</u>	<u>8,591</u>	<u>12,370</u>
Net book value			
At 31 December 2020	<u>1,760</u>	<u>-</u>	<u>1,760</u>
At 31 December 2019	<u>2,480</u>	<u>-</u>	<u>2,480</u>

11 Stock

	2020 £	2019 £
Purchased for re-sale, at cost	1,313	1,379
	<u>1,313</u>	<u>1,379</u>

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12 Debtors	2020	2019
	£	£
Falling due within one year:		
Tax recoverable	211	211
Other debtors	-	355
Prepayments and accrued income	1,611	2,948
	<u>1,822</u>	<u>3,514</u>
Total debtors	<u>1,822</u>	<u>3,514</u>

13 Cash at Bank and in Hand	2020	2019
	£	£
Cash at Bank - UK	131,956	133,129
Cash at Bank and in hand - Overseas	56,010	85,454
	<u>187,966</u>	<u>218,583</u>

14 Creditors: liabilities falling due within one year	2020	2019
	£	£
Other creditors	3,450	4,490
Accruals	7,924	10,468
Deferred income	15,853	13,319
	<u>27,228</u>	<u>28,277</u>

15 Deferred income

Deferred income comprises the following:

	2020	2019
	£	£
Balance at the beginning of the reporting period	13,319	10,811
Amount released to income	(13,319)	(10,811)
Amount deferred in year	15,853	13,319
Balance at the end of the reporting period	<u>15,853</u>	<u>13,319</u>

The income deferred at the period end will be released to income over the following periods:

Within one year	<u>15,853</u>	<u>13,319</u>
	<u>15,853</u>	<u>13,319</u>

The balance on deferred income represents performance-related grant monies, and contractual monies, being received in advance of the conditions controlling entitlement being fulfilled.

16 Pension commitments

There are no employer pension costs for Cambodian staff. There are payments made monthly for workers compensation and medical insurance.

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

16

17 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2020	Incoming resources 2020	Outgoing resources 2020	Transfers in the year 2020	Closing balance 2020
	£	£	£	£	£
<i>General Unrestricted Funds</i>	69,562	106,839	(136,889)	-	39,512
Total Unrestricted Funds	69,562	106,839	(136,889)	-	39,512
<i>Restricted Funds</i>					
Café Building Project	90,000			-	90,000
Community Arts Programme	744		(1,489)	-	(745)
Inclusive Education Programme	35,948	13,651	(12,687)	-	36,912
World Childhood Foundation and smaller projects	(10)	33,916	(33,952)	-	(46)
Core Projects	478		(478)	-	-
Arts-related Projects	957		(957)	-	-
Advocacy & Policy Institute - disabilities access to Cambodia's national Social	-	-		-	-
Accountability Framework (I-SAF)	-	10,456	(10,456)		
Disabilities empowerment	-	23,010	(23,010)	-	-
Light for the World (LFTW)	-	10,672	(10,672)	-	-
	128,117	91,705	(93,701)	-	126,121
Aggregate of funds	197,679	198,544	(230,590)	-	165,633

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>		Restricted funds	2020
	General funds	Designated funds	£	£
	£	£		
Fixed assets	1,760	-	-	1,760
Stock	1,313	-	-	1,313
Debtors	1,822	-	-	1,822
Cash at bank and in hand	53,727	-	134,239	187,966
Current liabilities	(19,110)	-	(8,118)	(27,228)
	39,513	-	126,121	165,633

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

17

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2019 per 2018 signed a/cs	Revised opening balance 2019 (see Note 22)	Incoming resources 2019	Outgoing resources 2019	Transfers in the year 2019	Closing balance 2019
	£	£	£	£	£	£
<i>General Unrestricted Funds</i>	28,425	-	234,800	(193,663)	-	69,562
Total Unrestricted Funds	28,425	-	234,800	(193,663)	-	69,562
<i>Restricted Funds</i>						
Café Building Project	20,000	-	70,000	-	-	90,000
Community Arts Programme	1,489	-	-	-	-	1,489
Inclusive Education Programme	-	-	43,022	(7,075)	-	35,947
World Childhood Foundation and smaller projects	-	-	34,046	(34,056)	-	(10)
Core Projects	478	-	-	-	-	478
Arts-related Projects	957	-	-	-	-	957
Advocacy & policy institute - disabilities &	-	-	10,902	(10,902)	-	-
Disabilities empowerment	-	-	11,740	(11,740)	-	-
Special education programme	-	-	6,779	(7,524)	-	(745)
WaterAid - "Inclusive wash" project	-	-	14,179	(14,179)	-	-
	22,925	-	190,668	(85,476)	-	128,117
Aggregate of funds	51,350	-	425,468	(279,139)	-	197,679

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted Funds			
	General funds £	Designated funds £	Restricted funds £	2019 £
Fixed assets	2,480	-	-	2,480
Stock	1,379	-	-	1,379
Debtors	3,514	-	-	3,514
Cash at bank and in hand	82,348	-	136,235	218,583
Current liabilities	(20,159)	-	(8,118)	(28,277)
	69,562	-	128,117	197,679

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

18

The purposes of the restricted funds are as follows:

Café Building Project

Money donated towards the planning, purchase and development of a new café building in Cambodia.

Community Arts Programme

This programme responds to the needs of our local Kampot community taking dance, drama and visual arts to schools and community venues.

Inclusive Education Programme

These programmes provide high-quality, creative and inclusive educational opportunities for children and young people of all abilities.

World Childhood Foundation and smaller projects

Funding to enable Epic Arts to address child protection issues in Kampot; we are the only local agency providing such services.

Core Projects

Funding of salary and support costs for employing one of the graduates from our Inclusive Arts Course.

Arts-related Projects

Other inclusive arts projects fulfilling our charitable objects.

18 Operating lease commitments

A new three year lease commenced in January 2019 at a rental of \$1,000 per month. The minimum amounts payable (until the next break clause and ignoring the potential effect of future rent reviews) in respect of this lease is as follows (translated at 31 Dec rates):

	2020	2019
	£	£
Payments falling due:		
Within one year	9,150	9,150
Between one and five years	-	9,150
	<u>9,150</u>	<u>18,300</u>

During the year the charity was charged £9,150 (2019: £9,150) for its operating lease (translated at average annual rates).

19 Transactions with related parties

During the year the charity:

- a) received donations totalling £10,360 (2019: £15,428) from related parties (which includes trustees, anyone closely connected to them and key management).
- b) paid expenses totalling £127 (2019: £172) for the trustee board for costs incurred whilst carrying out duties associated with being trustees; reimbursements for expenses incurred when acting as agent for the charity or incurred when undertaking employment duties not connected with serving as a trustee are not included in this disclosure.

20 Members

Each member of the company commits to contribute if the charity is wound up an amount of £10.

EPIC ARTS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

19

21 Recovery of funds

As noted in the 2018 Report and Accounts, the charity became aware in June 2019 of an internal fraud in the Cambodian operation which had been perpetrated since 2013, resulting in £74,569 of cash takings (all in the general fund) having been misappropriated. Since that point £67,671 of the stolen funds have been reimbursed. The perpetrator of the fraud is continuing to make repayments under an agreed schedule and the charity expects a full recovery of these funds. Note 8 above sets out the resulting expenditure in 2019 and 2018 and the table below shows the periods in which the fraud occurred, and to which the reimbursements relate:

	Amount stolen £	Amount reimbursed £	Net expense £
2013-2016	38,175	(31,277)	6,898
2017	7,697	(7,697)	-
2018	14,806	(14,806)	-
2019	13,891	(13,891)	-
2020	-	(1,566)	(1,566)
Total as at 31 December 2020	<u>74,569</u>	<u>(69,237)</u>	<u>5,332</u>

Allocation of funds recovered

		2020 £
Reimbursed		1,566
Allocation:		
Theft of funds - expenditure in year	Note 8	-
Recovery of funds - Income in year		<u>1,566</u>

22 ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

EPIC ARTS

DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted Funds - General		Restricted Funds		Total Funds	Total Funds
	Note	2020	2019	2020	2019	2020	2019
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	3	25,976	18,229	91,705	190,668	117,681	208,897
Charitable activities	4	74,864	174,737	-	-	74,864	174,737
Other income	5	4,433	4,632	-	-	4,433	4,632
Recovery of funds	21 22	1,566	37,202	-	-	1,566	37,202
Total income and endowments		106,839	234,800	91,705	190,668	198,544	425,468
EXPENDITURE ON:							
Charitable activities:	6	136,889	193,663	93,701	84,180	230,590	277,843
Raising funds	7	-	-	-	1,296	-	1,296
Total Expenditure		136,889	193,663	93,701	85,476	230,590	279,139
Net income/(expenditure)	1	(30,050)	41,137	(1,996)	105,192	(32,046)	146,329
Transfers between funds	17	-	-	-	-	-	-
		(30,050)	41,137	(1,996)	105,192	(32,046)	146,329
Net movement in funds		(30,050)	41,137	(1,996)	105,192	(32,046)	146,329
Reconciliation of funds:							
Total funds brought forward		69,562	28,425	128,117	22,925	197,679	51,350
Total funds carried forward	17	39,512	69,562	126,121	128,117	165,633	197,679