

Company registration number: 06031955

Charity registration number: 1117698

# The Meeting House Arts Centre Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 January 2021

Mitchams Chartered Accountants  
1 Cornhill  
Ilminster  
Somerset  
TA19 0AD

# **The Meeting House Arts Centre Limited**

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## **The Meeting House Arts Centre Limited**

### **Reference and Administrative Details**

<b>Chairman</b>	Mr A J B Nares
<b>Trustees</b>	Mr A J B Nares Mrs V Hewitt Mrs C Hamilton Mr A Hyde Mr N Tinson Ms R Hall
<b>Principal Office</b>	The Meeting House Arts Centre East Street Ilminster Somerset TA19 0AN  The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	06031955
<b>Charity Registration Number</b>	1117698
<b>Bankers</b>	Triodos Bank Brunel House 11 The Promenade Bristol BS8 3NN  NatWest Bank 10 East Street Ilminster Somerset TA19 0AA
<b>Independent Examiner</b>	Mitchams Chartered Accountants 1 Cornhill Ilminster Somerset TA19 0AD

# **The Meeting House Arts Centre Limited**

## **Trustees' Report**

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

### **Trustees**

Ms C C Walker (resigned 1 October 2020)

Mrs C M Ackerman (resigned 30 September 2021)

Mr A S Hayward (resigned 7 November 2021)

Mrs B E Harvey (resigned 1 October 2020)

Mr A J B Nares

Mrs V Hewitt (appointed 26 January 2021)

Mrs C Hamilton (appointed 1 September 2021)

Mr A Hyde (appointed 7 October 2021)

Mr N Tinson (appointed 7 October 2021)

Ms R Hall (appointed 2 November 2021)

### **Chairman's report**

There is no doubt that, in common with all organisations in the Third Sector, of which the Arts is no exception, 2020/21 has been a very challenging year.

Following H M Government restrictions, the Arts Centre was closed from 23 March 2020 to 1 September 2020 and subsequently also from 31 October 2020 to 2 December 2020 and 24 December 2020 to 18 May 2021. This led to a significant loss of revenue, mitigated by some difficult cost saving decisions and support from suppliers and the wider public. Grant support was also obtained, especially locally, for which the trustees are very grateful.

2021/22 has seen the Arts Centre cautiously return to business, with multi-media, cafe and performance activities returning but the changing demographics of our audiences remain a challenge and will mean changes to our business model for the Arts Centre to survive.

In closing, I would like to thank our donors, volunteers, staff, sponsors, trading partners, friends and you, our audience, for your continuing support in helping to keep the Arts Centre on the South West creative map, and as you read our report remember, as we do, that it's all about people - volunteers, exhibitors, performers, tutors, craft makers and their audiences and customers. We will continue to keep you informed of progress as often as we can.

.....  
Mr A J B Nares  
Chairman

# **The Meeting House Arts Centre Limited**

## **Trustees' Report**

### **Location and premises**

The Meeting House Arts Centre is housed in the beautiful old Unitarian Meeting House, a Grade 2 listed building, close to the centre of Ilminster, Somerset. The building has an important place in the history of the town as it was built in 1710 'for worship by dissenters' following the Act of Toleration. For this reason, it is a quiet resolve of the Arts Centre to keep the building open and available to the public. The local Tourist Information Centre operates from the premises April to October. The lease on the building expires in 2031.

This wonderful building has probably one of the best gallery spaces in the area and the acoustics in the main hall, with the intimacy of its atmosphere, make it possibly the best space for small concerts and chamber music in the whole of Somerset, Dorset and Devon.

Ilminster is an ancient market town midway between Taunton and Yeovil. The Art Centre's catchment area encompasses not only other local market towns and the many villages around but also draws people from as far away as Cornwall, Devon and counties further afield.

### **Objectives and activities**

#### ***Objectives and aims***

The purpose of the charity is to educate the public in the studying and appreciation of the visual and performing arts by provision for the public benefit of exhibitions, displays, workshops, classes, groups, concerts, entertainments and in all other means which in the opinion of the trustees further the said aims.

Our mission is to develop Ilminster Arts Centre as a place for people of all ages to meet – a facility for the community and visitors, to raise their awareness of the arts – whether by taking part in a workshop, attending a concert, or just visiting the Arts Centre, browsing around an exhibition, the craft area or enjoying a coffee or lunch in our cafe.

Our vision is of an imaginative, adventurous and valued programme of arts and entertainment activities that meets the needs and develops the tastes and expectations of local people and visitors to the county. This will involve promoting understanding through involvement and education, developing community cohesion through participation in the arts and building relationships with artists and communities.

We aim to ensure that we work with high levels of accountability, inclusivity and sustainability. We actively encourage democracy and accessibility to decision-making and are keen to investigate more effective ways of doing this. We also wish to promote a clear and shared vision of the Centre's aims and values.

# **The Meeting House Arts Centre Limited**

## **Trustees' Report**

### ***Objectives, strategies and activities***

#### **Performances:**

Our policy remains as it has been over the last ten years, that is, to attract nationally and internationally recognised performers, often the very best, to perform at the Arts Centre, as well as more local/younger talent still at the developmental stage. We anticipate that this will continue to be our aim for the foreseeable future, subject to any restrictions imposed outside of our control in terms of localised Covid 19 mitigation restrictions. There is a long term trend of falling audience numbers and the trustees recognise the need to review the performance offering.

Our main focus remains on all genres of jazz, modern, vintage, contemporary, small group classical music and soloists, folk and world music. We have broadened our scope and now include opera, along with small drama productions. Poetry and the written word and talks from various interest groups and celebrities are also featured. Audiences are drawn from a wide area across the South West as well as our more local populace. Some travel from as far away as London, Birmingham, Bristol and Penzance. Our concerts are seen locally as being a major attraction within the community and by musicians as one of the best venues they visit. Some say it is their favourite venue at which to perform. Our performance events are a vital source of funding for the Arts Centre, we continually monitor our audience demographic as we recognise some potential audience members may be wary of travelling and attending whilst pandemic risks remain.

#### **Workshops:**

Our aim is to engage as many people as possible, young and old, from our local community in some form of art activity by providing a range of regular and one-day workshops and classes.

#### **The Gallery:**

The Gallery provides an opportunity for up to 18 exhibitions a year from West Country art groups/societies, individuals and local schools. Additionally, we put together two mixed exhibitions of 10 artists unknown to each other, to give emerging artists the chance to display their artwork in a supportive environment. Exhibition space is also made available each year to local schools to exhibit the work of pupils and students. The age range is from young children in Reception Class to A level students in their final year.

Annually we hold an 'Open Exhibition' sponsored by Branston Ltd, a local firm. This is a judged exhibition giving West Country artists, in all mediums, except photography, the opportunity to exhibit and be chosen to participate in a prize winners' exhibition to start off the New Year. The Open competition also gives visitors the chance to select their favourite artist to join other winners in the prize winners' exhibition, as well as generating fundraising income.

At Christmas, for the month of December, the Gallery is used to display the creative work of West Country crafts people to provide an added opportunity to generate fundraising income from visitors shopping for Christmas gifts.

#### **The craft display area:**

The craft section of the Arts Centre provides a platform for local makers to showcase their expertise. We have a constantly changing display featuring around 50 makers, all from the South West. Their work includes pottery, wood, silk, jewellery, glass, organic soap, candles and much more. We also display the work of approximately 45 card artists.

The income generated from sales enables makers to survive and continue to develop their skills and techniques. Visitors to the Arts Centre are delighted to find unique handmade items whilst supporting our local artisans.

# **The Meeting House Arts Centre Limited**

## **Trustees' Report**

### ***Public benefit***

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The Arts Centre relies on the income from fees and charges to cover its operating costs. Affordability and access to our activities is important to us and is reflected in our pricing policy, set out in detail later in this report.

We endeavour to encourage all within our community to take part in our activities, and attend our concerts and/or view our exhibitions. We actively engage with local schools and tailor activities particularly to appeal to a wide range of age groups. We have four major areas of activity: performances, workshops, our gallery and craft display area and our activities very much focus on bringing quality arts to the community of Ilminster and the surrounding villages and towns.

We are aware that artistic tastes are not the same for everyone and aim to keep a balance between the more challenging and the traditional. We have a feedback book in our gallery and 'we welcome your comments' cards available for visitors to tell us their likes, dislikes and ways that we could improve.

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

### ***Our pricing policy***

Our pricing policy reflects our mission to create 'a place for people of all ages to meet – a facility for the community and visitors, to raise their awareness of the arts'. There is no entrance charge to the Arts Centre, enabling all members of our community free access to our art exhibitions and craft display area, 6 days a week. The trustees strongly believe that the Arts Centre should be self-sufficient as far as possible and therefore do not ordinarily apply for grants to cover operating costs.

Ticket prices to our concerts vary between £10 and £25. We host 8 classical concerts per year organised by Concerts in The West, which normally have a ticket price of £15 or £16.

Our adult workshops vary from £10 to £16 for a half day, or £23 to £35 for a full day, with untutored sessions paying £7 for 5 hrs. Our Saturday children's workshops, which include materials, are £5/session and are non-profit making.

Artists exhibiting in our gallery pay a variable fee per exhibition, plus the Art Centre also receives 30% of the value of any sales of artwork. To view details of our programme and prices visit our website [www.themeetinghouse.org.uk](http://www.themeetinghouse.org.uk), or collect a brochure from the Arts Centre.

### ***Use of volunteers***

The Arts Centre is very involved in the community and relies heavily on voluntary help; over 90 volunteers help with welcoming visitors to the Arts Centre, stewarding the gallery and performances, organising and hanging our exhibitions and managing our craft display area, enabling lower staff costs than would otherwise be the case and consequently the survival of the Arts Centre.

# **The Meeting House Arts Centre Limited**

## **Trustees' Report**

### **Achievements and performance**

2020/21 was an exceptional year, significantly distorted by the national and local impact of Covid 19.

Charitable activities reflected the limited availability of the Arts Centre facilities, with the key income categories as follows:-

#### **Performances:**

£7,804 compared to £69,883 the previous year.

#### **Gallery:**

£4,800 compared to £10,978 the previous year.

#### **Workshops:**

£3,653 compared to £12,125 the previous year.

#### **Craft shop and hall hire:**

£4,501 compared to £12,709 the previous year.

#### **Fundraising activities:**

£1,406 compared to £11,959 the previous year.

### **Financial review**

In 2020/21 the charity's wholly owned subsidiary, The Meeting House Cafe Limited, was unable to make any gift aid donations, due to redundancy costs and reduced income.

#### ***Policy on reserves***

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure. The trustees consider that the ideal level of reserves as at 31 January 2021 would be £30,000.

Following prudent financial management, the balance sheet remains strong with net current assets of £30,483. The trustees have reviewed the circumstances of the Arts Centre and consider that adequate resources continue to be available to fund the activities of the Arts Centre for the foreseeable future.

#### ***Investment policy and objectives***

The trustees, having regard to the liquidity requirements of operating the Arts Centre, have kept available funds in an interest bearing deposit account. Due to the wider economic circumstances deposit rates have been depressed and so an average rate of 0.05% was achieved.

# **The Meeting House Arts Centre Limited**

## **Trustees' Report**

### **Plans for future periods**

#### ***Aims and key objectives for future periods***

Following the periods of closure and appointment of new trustees, a root and branch review of the Arts Centre is being undertaken. This will include input from volunteers, friends and supporters and with several focusses including:-

Audience - potential new sources

Media - further variation

Visitor demographic - age/inclusivity

What does the community want from its Arts Centre and what can it offer the community?

### **Going concern**

Despite the challenges faced due to the Coronavirus pandemic, the trustees have carefully managed the Arts Centre's financial position and with reserves in excess of £30,000, the trustees believe that the charity will remain viable.

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

#### ***Nature of governing document***

The Meeting House Arts Centre Limited is a company limited by guarantee (and not having a share capital) governed by its Memorandum and Articles of Association dated 18 December 2006 together with a resolution dated 20 March 2009. The charity currently has six trustees, each of whom agrees to contribute a maximum of £10 in the event of the charity winding up. It is registered as a charity with the Charity Commission.

In 1996 the Meeting House Arts Centre was set up as an unincorporated association with charitable status. On 1 February 2007, the legal status of the charity was changed to its current status in order to share the responsibility of the finances of the charity more widely between all the trustees (instead of the two named guarantors, as previously); this limits any potential risk and encourages the involvement of new trustees, who will bring fresh energy and new skills to the board.

#### ***Recruitment and appointment of trustees***

As set out in the Articles of Association, the charity must have a minimum of three trustees but there is no maximum number. The chair of the trustees is nominated by the trustees. Each year at the annual general meeting, a special meeting of the trustees is held (normally in October) at which one-third of the trustees must retire by rotation (in 2020/21 two trustees resigned and one was appointed). Appointment of new trustees requires a proposal from the potential trustee, signed by a current trustee to be presented to the trustees at least 14 days (and not more than 35 days) before the next management meeting. New trustees are appointed for one year.

#### ***Induction and training of trustees***

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

## **The Meeting House Arts Centre Limited**

### **Trustees' Report**

#### ***Arrangements for setting key management personnel remuneration***

The directors consider the board of directors who are the charity's trustees and the office administration team to be the key management personnel of the charity, who oversee directing and controlling, running and operating the Arts Centre on a day-to-day basis. All directors/trustees give their time freely and no director/trustee received remuneration or expenses in the year.

The pay of the office administration staff is reviewed annually and normally increased in line with Minimum Wage/National Living Wage increases.

#### ***Organisational structure***

All trustees form the management committee and meet monthly. There are also sub-committees covering the gallery and performances which meet more frequently. To facilitate day to day operations the office administration team have been delegated authority, within terms of delegation approved by the trustees, for day-to-day operational matters including finance, artistic related activities and visitor/customer related matters.

# **The Meeting House Arts Centre Limited**

## **Trustees' Report**

### **Relationships with related parties**

#### **The Meeting House Cafe Limited**

The charities wholly owned subsidiary, The Meeting House Cafe Limited was established in 2004 to operate a cafe facility at the Arts Centre. Profits made by the cafe are donated to the Arts Centre under the gift aid scheme.

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee and a contracted performer, exhibitor or tutor must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party.

### ***Major risks and management of those risks***

#### ***Financial sustainability***

Financial sustainability is the major financial risk for both the charity and its subsidiary.

A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bankers and active management of trade debtor and creditor balances to ensure sufficient working capital is held by the Arts Centre and its subsidiary company.

#### ***Non financial***

Attention has also been focussed on non-financial risks arising from fire, health and safety of artists, volunteers, staff and concert audiences as well as management of performing rights and food hygiene.

These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place and regular awareness training for staff working in these areas. Insurance covers are regularly reviewed to ensure adequacy.

The trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties that the charity and its subsidiary The Meeting House Cafe Limited face;
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 30 November 2021 and signed on its behalf by:

.....  
Mr A J B Nares  
Chairman and Trustee

## **The Meeting House Arts Centre Limited**

### **Statement of Trustees' Responsibilities**

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

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

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

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

Approved by the trustees of the charity on 30 November 2021 and signed on its behalf by:

.....

Mr A J B Nares  
Chairman and Trustee

## **The Meeting House Arts Centre Limited**

### **Independent Examiner's Report to the trustees of The Meeting House Arts Centre Limited**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 January 2021 which are set out on pages 13 to 31.

#### **Respective responsibilities of trustees and examiner**

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

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

#### **Basis of independent examiner's statement**

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

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

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

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

**The Meeting House Arts Centre Limited**

**Independent Examiner's Report to the trustees of The Meeting House Arts Centre Limited**

.....  
Miss Anna L Whaites FCA  
Institute of Chartered Accountants in England and Wales (ICAEW)

1 Cornhill  
Ilminster  
Somerset  
TA19 0AD

30 November 2021

# The Meeting House Arts Centre Limited

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

	Note	Unrestricted £	Total 2021 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	44,550	44,550
Charitable activities	4	20,758	20,758
Other trading activities	5	1,406	1,406
Investment income	6	29	29
Total Income		<u>66,743</u>	<u>66,743</u>
<b>Expenditure on:</b>			
Raising funds	7	(239)	(239)
Charitable activities	7	(6,098)	(6,098)
Staff costs	7	(19,280)	(19,280)
Independent examiner's remuneration	7	(3,059)	(3,059)
Other	7	(38,507)	(38,507)
Total Expenditure		<u>(67,183)</u>	<u>(67,183)</u>
Net expenditure		<u>(440)</u>	<u>(440)</u>
Net movement in funds		(440)	(440)
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>33,533</u>	<u>33,533</u>
Total funds carried forward	19	<u><u>33,093</u></u>	<u><u>33,093</u></u>

The notes on pages 16 to 31 form an integral part of these financial statements.

# The Meeting House Arts Centre Limited

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

	Note	Unrestricted £	Total 2020 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	7,338	7,338
Charitable activities	4	105,695	105,695
Other trading activities	5	11,959	11,959
Investment income	6	8,407	8,407
Total Income		<u>133,399</u>	<u>133,399</u>
<b>Expenditure on:</b>			
Raising funds	7	(8,020)	(8,020)
Charitable activities	7	(43,195)	(43,195)
Staff costs	7	(29,337)	(29,337)
Independent examiner's remuneration	7	(3,616)	(3,616)
Other	7	(46,844)	(46,844)
Total Expenditure		<u>(131,012)</u>	<u>(131,012)</u>
Net income		<u>2,387</u>	<u>2,387</u>
Net movement in funds		2,387	2,387
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>31,146</u>	<u>31,146</u>
Total funds carried forward	19	<u>33,533</u>	<u>33,533</u>

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

The funds breakdown for 2020 is shown in note 19.

The notes on pages 16 to 31 form an integral part of these financial statements.

# The Meeting House Arts Centre Limited

(Registration number: 06031955)  
Balance Sheet as at 31 January 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	2,608	3,478
Investments	13	<u>2</u>	<u>2</u>
		<u>2,610</u>	<u>3,480</u>
<b>Current assets</b>			
Stocks	14	200	200
Debtors	15	13,949	264
Cash at bank and in hand	16	<u>26,623</u>	<u>53,629</u>
		40,772	54,093
<b>Creditors: Amounts falling due within one year</b>	17	<u>(10,289)</u>	<u>(24,040)</u>
<b>Net current assets</b>		<u>30,483</u>	<u>30,053</u>
<b>Net assets</b>		<u><u>33,093</u></u>	<u><u>33,533</u></u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>33,093</u>	<u>33,533</u>
<b>Total funds</b>	19	<u><u>33,093</u></u>	<u><u>33,533</u></u>

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

Directors' responsibilities:

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

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

The financial statements on pages 13 to 31 were approved by the trustees, and authorised for issue on 30 November 2021 and signed on their behalf by:

.....  
Mrs V Hewitt  
Trustee

The notes on pages 16 to 31 form an integral part of these financial statements.

# **The Meeting House Arts Centre Limited**

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

### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

The Meeting House Arts Centre  
East Street  
Ilminster  
Somerset  
TA19 0AN

These financial statements were authorised for issue by the trustees on 30 November 2021.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

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

#### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### **Basis of preparation**

The Meeting House Arts Centre Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### **Going concern**

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

#### **Exemption from preparing group accounts**

The charity has taken advantage of the exemption in section 398 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the grounds that it is a small sized group.

## **The Meeting House Arts Centre Limited**

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

#### **Income and endowments**

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

#### ***Donations and legacies***

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

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

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Deferred income***

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### ***Gift aid***

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably.

#### ***Raising funds and charitable activities***

These are costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

#### ***Staff costs***

These are staff and administrative costs arising from the day to day running of the charity.

#### ***Independent examiner's remuneration and other***

These are all other ancillary costs incurred by the charity.

## **The Meeting House Arts Centre Limited**

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

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

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

<b>Asset class</b>	<b>Depreciation method and rate</b>
Furniture and equipment	25% reducing balance

#### **Fixed asset investments**

Investments in subsidiaries and associates are measured at cost less impairment.

#### **Stock**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

## **The Meeting House Arts Centre Limited**

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

#### **Cash and cash equivalents**

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

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Fund structure**

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

There are also restricted funds allocated for kitchen expenditure, the car park and garden which will be used in future years as required.

#### **Hire purchase and finance leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## **The Meeting House Arts Centre Limited**

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

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

##### ***Fair value measurement***

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

# The Meeting House Arts Centre Limited

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

### 3 Income from donations and legacies

	Unrestricted funds General £	Total 2021 £
Donations and legacies;		
Donations	17,824	17,824
Memberships	1,910	1,910
Gift aid reclaimed	1,465	1,465
Grants, including capital grants;		
Government grants	23,351	23,351
	<u>44,550</u>	<u>44,550</u>
	Unrestricted funds General £	Total 2020 £
Donations and legacies;		
Donations	4,660	4,660
Memberships	1,510	1,510
Gift aid reclaimed	1,168	1,168
	<u>7,338</u>	<u>7,338</u>

# The Meeting House Arts Centre Limited

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

### 4 Income from charitable activities

	Unrestricted funds General £	Total 2021 £
Performances	7,804	7,804
Gallery	4,800	4,800
Workshops	3,653	3,653
Craft shop	4,396	4,396
Hall hire	105	105
	<u>20,758</u>	<u>20,758</u>
	Unrestricted funds General £	Total 2020 £
Performances	69,883	69,883
Gallery	10,978	10,978
Workshops	12,125	12,125
Craft shop	12,234	12,234
Hall hire	475	475
	<u>105,695</u>	<u>105,695</u>

### 5 Income from other trading activities

	Unrestricted funds General £	Total 2021 £
Events income;		
Other events income	1,406	1,406
	<u>1,406</u>	<u>1,406</u>
	Unrestricted funds General £	Total 2020 £
Events income;		
Other events income	11,959	11,959
	<u>11,959</u>	<u>11,959</u>

# The Meeting House Arts Centre Limited

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

### 6 Investment income

	Unrestricted funds General £	Total 2021 £
Interest receivable and similar income;		
Interest receivable on bank deposits	29	29
	<u>29</u>	<u>29</u>
	Unrestricted funds General £	Total 2020 £
Interest receivable and similar income;		
Interest receivable on bank deposits	63	63
Gift aid donations from The Meeting House Cafe Limited	8,344	8,344
	<u>8,407</u>	<u>8,407</u>

# The Meeting House Arts Centre Limited

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

### 7 Expenditure on:

#### a) Raising funds

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Sponsors, marketing, brochures and advertising	104	104	6,360
Fundraising events	135	135	1,660
	<u>239</u>	<u>239</u>	<u>8,020</u>

#### b) Charitable activities

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Performances	6,098	6,098	43,195
	<u>6,098</u>	<u>6,098</u>	<u>43,195</u>

#### c) Staff costs

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Wages and salaries	18,683	18,683	23,002
Administration and book keeping	505	505	6,219
Staff pensions	92	92	116
	<u>19,280</u>	<u>19,280</u>	<u>29,337</u>

# The Meeting House Arts Centre Limited

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

### d) Independent examiner's remuneration

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Accountancy and payroll fees	2,665	2,665	3,016
Independent examiner's fee	394	394	600
	<u>3,059</u>	<u>3,059</u>	<u>3,616</u>

### e) Other

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Opening stock	200	200	150
Closing stock	(200)	(200)	(200)
Rent	15,000	15,000	15,000
Water rates	81	81	79
Light, heat and power	8,457	8,457	9,218
Insurance	4,138	4,138	3,949
Equipment repairs and renewals	945	945	977
Telephone and fax	1,233	1,233	1,039
Postage, stationery, photocopying and computer costs	1,762	1,762	2,968
Hire of plant and machinery (Operating leases)	1,611	1,611	1,611
Sundry expenses	785	785	653
Cleaning	1,859	1,859	6,221
Premises and other licences	180	180	180
Website costs	381	381	390
Bank charges	306	306	748
Credit card charges	899	899	2,702
Depreciation of fixtures and fittings	870	870	1,159
	<u>38,507</u>	<u>38,507</u>	<u>46,844</u>

# The Meeting House Arts Centre Limited

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

### 8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

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

### 9 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	18,683	23,002
Pension costs	92	116
	<u>18,775</u>	<u>23,118</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
	<u>2</u>	<u>4</u>

2 (2020 - 1) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £92 (2020 - £116).

During the year, the charity made redundancy and/or termination payments which totalled £3,321 (2020 - £Nil).

No employee received emoluments of more than £60,000 during the year.

### 10 Independent examiner's remuneration

	2021 £	2020 £
Examination of the financial statements	<u>394</u>	<u>600</u>
<b>Other fees to examiners</b>		
All other services	<u>2,665</u>	<u>3,016</u>

## The Meeting House Arts Centre Limited

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

#### 11 Taxation

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

#### 12 Tangible fixed assets

	<b>Furniture and equipment £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 February 2020	<u>16,463</u>	<u>16,463</u>
At 31 January 2021	<u>16,463</u>	<u>16,463</u>
<b>Depreciation</b>		
At 1 February 2020	12,985	12,985
Charge for the year	<u>870</u>	<u>870</u>
At 31 January 2021	<u>13,855</u>	<u>13,855</u>
<b>Net book value</b>		
At 31 January 2021	<u>2,608</u>	<u>2,608</u>
At 31 January 2020	<u>3,478</u>	<u>3,478</u>

# The Meeting House Arts Centre Limited

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

### 13 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	<u>2</u>	<u>2</u>

### Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
<b>Cost</b>		
At 1 February 2020	<u>2</u>	<u>2</u>
At 31 January 2021	<u>2</u>	<u>2</u>
<b>Net book value</b>		
At 31 January 2021	<u>2</u>	<u>2</u>
At 31 January 2020	<u>2</u>	<u>2</u>

### Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2021	2020	
Subsidiary undertakings					
The Meeting House Cafe Limited	England and Wales	2 ordinary shares	100%	100%	Cafe

### 14 Stock

	2021 £	2020 £
Stocks	<u>200</u>	<u>200</u>

## The Meeting House Arts Centre Limited

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

#### 15 Debtors

	2021 £	2020 £
Prepayments	264	264
Other debtors	13,685	-
	<u>13,949</u>	<u>264</u>

#### 16 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	420	490
Cash at bank	26,203	53,139
	<u>26,623</u>	<u>53,629</u>

#### 17 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	2,852	2,799
Other taxation and social security	-	71
Deferred income	7,437	21,170
	<u>10,289</u>	<u>24,040</u>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 February 2020	21,170	20,081
Resources deferred in the period	3,747	17,215
Amounts released from previous periods	(17,480)	(16,126)
Deferred income at year end	<u>7,437</u>	<u>21,170</u>

Deferred income includes ticket sales received in advance of the exhibition/performance. It also includes grants received for specific restricted purposes that have not been spent by the year end.

#### 18 Commitments

##### Capital commitments

Rent of business premises.

The total amount contracted for but not provided in the financial statements was £151,611 (2020 - £166,611).

# The Meeting House Arts Centre Limited

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

### 19 Funds

	Balance at 1 February 2020 £	Incoming resources £	Resources expended £	Balance at 31 January 2021 £
<b>Unrestricted</b>				
General	<u>33,533</u>	<u>66,743</u>	<u>(67,183)</u>	<u>33,093</u>
	Balance at 1 February 2019 £	Incoming resources £	Resources expended £	Balance at 31 January 2020 £
<b>Unrestricted</b>				
General	<u>31,146</u>	<u>133,399</u>	<u>(131,012)</u>	<u>33,533</u>

### 20 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 January 2021 £
Tangible fixed assets	2,608	-	2,608
Fixed asset investments	2	-	2
Current assets	36,057	4,715	40,772
Current liabilities	<u>(5,574)</u>	<u>(4,715)</u>	<u>(10,289)</u>
Total net assets	<u>33,093</u>	<u>-</u>	<u>33,093</u>

### 21 Analysis of net funds

	At 1 February 2020 £	Financing cash flows £	At 31 January 2021 £
Cash at bank and in hand	<u>53,629</u>	<u>(24,256)</u>	<u>29,373</u>
Net debt	<u>53,629</u>	<u>(24,256)</u>	<u>29,373</u>

## **The Meeting House Arts Centre Limited**

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

#### **22 Related party transactions**

During the year the charity made the following related party transactions:

##### **The Meeting House Cafe Limited**

(The Meeting House Arts Centre Limited owns 100% of the ordinary share capital of The Meeting House Cafe Limited)

The Cafe is operated from the same premises as the Arts Centre and they share the same registered office. During the year ended 31 January 2021, there were no gift aid donations donated from the Cafe profits to the Arts Centre, however the Arts Centre did makes loans to the Cafe. At the balance sheet date the amount due from The Meeting House Cafe Limited was £13,685 (2020 - £Nil).