

STANLEY ARTS

(A Charitable Incorporated Organisation)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

Charity Registration Number 1155680

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STANLEY ARTS
(A Charitable Incorporated Organisation)

Reference and Administrative details

Charity name	Stanley Arts
Registered charity number	1155680
Charity's principal address	Stanley Arts 12 South Norwood Hill London SE25 6AB

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Cameron McLeod	Chair		
2	James Higgott	Vice-Chair		
3	Judith Burden	Secretary		
4	Orlene Allen	Treasurer		
5	Katharine Bee			SE25 Ward Councillors*
6	Mary Hennock		Resigned 30 th June 2020	
7	Jonathan Pelluet			
8	Graham Whitlock			

(*N/A after 19th January 2021 as this category of trustee membership was removed from the constitution)

Names of the charity trustees at the date the report was approved

	Trustee name	
1	Cameron McLeod	
2	Richard Coopey	Appointed 19 th May 2021
3	Judith Burden	
4	Orlene Allen	
5	Sharon Ballard	Appointed 19 th May 2021
6	Sabrina D'Anjou	Appointed 19 th May 2021
7	Claire Evans	Appointed 19 th May 2021
8	Alex Green	Appointed 19 th May 2021
9	Kimberley Thomas-Currie	Appointed 19 th May 2021
10	Graham Whitlock	
11	EM Williams	Appointed 19 th May 2021

(Katharine Bee, James Higgott & Jonathan Pelluet resigned as trustees on 18th May 2021)

TRUSTEES ANNUAL REPORT

The trustees have pleasure in presenting their Annual Report and Financial Statements for the year ended 31 March 2021.

CHAIR'S FOREWORD

As was the case for so many organisations, the year ending 31st March 2021 was like no other. The COVID-19 pandemic saw our building closed to the public for much of the year, and we encouraged our licence-holders to work from home where they could. Events were cancelled. Classes & regular bookings were cancelled. Weddings and other celebrations were either cancelled or postponed. Most of our staff were furloughed for significant periods over the year, and from the outside it most likely looked that we had 'shut up shop' to ride out the storm.

The reality however was very different.

In many ways, 2020/2021 was a banner year for our organisation as we relaunched ourselves as Stanley Arts to better reflect who we are and what we offer to the local community and beyond. We set ourselves an aspiration to be one of South London's premiere arts and performance venues, providing our local community with a vital home for cultural expression and discovery. As a radically inclusive space we are seeking to foreground under-represented voices, providing artists of colour and LGBTQ+ creatives with a platform to reach out to audiences across South London and beyond. Coupled with this new name and vision, we also launched a new visual identity for the charity – one firmly rooted in the ethos of William Stanley as a progressive, visionary maverick of his time. And behind the scenes we also took the opportunity to update our constitution in line with the model CIO constitution currently recommended by the Charity Commission, as well as review and refine our Charitable Objects to better reflect our aspirations and areas of focus.

For a number of our trustees, the transition to Stanley Arts signalled the ideal time to step down and allow a refresh of Board membership to better reflect the aspirations we have set ourselves. The Board would like to acknowledge Mary Hennock's contribution over her five years as a trustee, particularly her significant contribution to the two major HLF funding bids made during her tenure. The three other trustees who stepped down early in the next financial year - Kathy Bee, James Higgott & Jon Pelluet - will be properly acknowledged in our 2022 Report.

The closure of the building at times throughout the year also provided opportunities for much needed repairs, refurbishment and ongoing restoration work. We replaced and upgraded significant amounts of technical infrastructure as well as invested in equipment to support streaming of performances while audiences were unable to attend events in person. We are extremely grateful to a range of funders and statutory bodies who enabled this investment, allowing us to keep connected to our community and audiences. We also acknowledge our residents, many of whom continued to pay licence fees at a time when they were unable to access their studios. Lastly, we would like to thank the people of South Norwood & broader SE25 community for the many individual donations we received.

An organisation like ours is dependent on many stakeholders, and the trustees wish to single out and place on record their heartfelt thanks to our dedicated staff who have not only had to contend with the implications of the pandemic at work, but also in their own personal lives. We were very pleased to ensure our staff didn't also have to contend with reduced incomes over the year having taken the decision to always top up payments from the Government's Furlough Scheme to 100%. Our staff constantly surprise us with their creativity and resilience, and the way they have navigated the pandemic has been nothing short of exceptional. A prime example was the creation of the Yard Bar in June 2020 which not only

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provided a much needed outdoor social space for local people, but also helped bridge some of the financial losses made in the first two months of the pandemic.

Towards the end of the year, we established our Capital Development Plan which will see major improvements to our home, including accessibility, over the next 3-5 years. The design team has been established for Phase I and the aim is to have this phase complete by the end of FY22. While this phase is relatively 'behind the scenes', it enables us to lay the foundations for far more visible and exciting development in the years ahead.



Cameron McLeod
Chair of Trustees
Stanley Arts

TRUSTEES ANNUAL REPORT

OBJECTIVES & ACTIVITIES

Summary of the purposes of the charity as set out in its governing document

Until 19th January 2021, the objects of the Charity were to promote for the benefit of people living or working in the Area of Benefit (South Norwood, district postal code of SE25 along with its adjoining neighbourhoods and the London Borough of Croydon): the provision of facilities for recreation or other leisure-time occupation; maintenance and improvement of public amenities; the preservation of the Stanley Halls; the development of the capacity and skills of members of socially and economically disadvantaged communities of the Area of Benefit; the relief of poverty, sickness and distress, the advancement of health and education; to develop the public appreciation and understanding of the arts by providing facilities for, and improving access to, performing and visual arts.

After seven years of operation, the trustees agreed a revised and refined set of charitable objects which more accurately reflect the activities and purpose of the charity. These received consent from the Charity Commission on 4 January 2021 and were formally adopted at a General Meeting of the Charity on 19 January 2021.

The new objects are:

1. For the public benefit, to preserve the buildings known as Stanley Halls; and
2. For the public benefit, including particular reference to members of socially and/or economically disadvantaged communities, to advance, promote, encourage, educate and develop appreciation and enjoyment of, access to, and participation in the arts, culture and heritage

Summary of the main activities undertaken for the public benefit in relation to these objects

The main activities undertaken for public benefit have been:

- Development of a new vision and aspiration for Stanley Arts in line with our revised charitable objects
- Programming and/or hosting events open to the public – including music, theatre, dance, comedy, public meetings, conferences and classes – both in-person and online.
- Actively participating in We Love SE25 community group and in Croydon Cultural Network
- Pursuing a range of fundraising applications aimed to continue the ongoing restoration of our building and the financial sustainability of our organisation
- Continuing to invest in technical infrastructure to support our enhanced programming
- Supporting local suppliers with a policy of 'buying local' in the bar and café
- Creating a space for local people to meet and socialise in line with government guidance during the pandemic

TRUSTEES ANNUAL REPORT

ACHIEVEMENTS AND PERFORMANCE

The unique challenge of COVID-19

The venue closed at the end of March 2020 due to the global COVID-19 pandemic. All public bookings, events and classes were initially cancelled until the end of June. In the end, classes and public bookings would remain largely cancelled for the rest of the year. The café closed and didn't reopen fully until mid-September. Initially, the resident artist studios were also closed. Almost all staff were furloughed by April 1st and the building was effectively closed.

After this complete building closure there was then a slow reopening as the year progressed. The first activity was the use of the building by Cllr. Patsy Cummings who used the lower society room and the attached kitchen several times as a distribution base for local food drops for vulnerable people.

Our part-time venue technician kept attending the site to maintain equipment and address some much needed technical investment. The Croydon Music City-funded investment in the Assembly Room as a performance space dovetailed with Arts Council England's (ACE) emergency digital programme funding for an initial investment in streaming capacity. This equipped us to provide remotely streamed creative content through the year that followed.

Our fundraising manager continued to work remotely seeking funds for immediate revenue support, alongside capital investment for future growth.

Our public activities first returned on social media channels, promoting existing digital content, alongside keeping up requests for individual donations. Content focused on the history of the building and sharing little-known parts of our unique site was especially popular.

As we moved into the summer, in June the Venue Director, Daniel Winder, returned to manage a limited programme of summer activity. The individual artist studios were reopened with a volunteer system created for the residents for locking up. This was a creative way of addressing the lack of staff on site.

A programme of streamed '*Live From...*' concerts for local musicians through the summer months, alongside hybrid digital drag shows and other online content was all made possible by our prompt investment at the start of the year in streaming equipment. This allowed us to maintain a cultural presence through 2020 when other venues in the area remained dark.

With a small capital investment we also converted our backyard space, and garage, into an open-air bar, with a programme of live weekend events which included music, comedy, family shows, drag and even a resident barber. This al fresco summer weekend offering allowed us to generate some revenue in the middle of what was an otherwise bleak year for earned income - as well as providing much needed cultural activities for the local area. We also had an outdoor performance of the children's show *Messy* from new resident company ZooCo, and we were able to support the South Norwood Community Festival in delivering a pared-back version of their annual summer event in our outdoor yard space.

Through the second half of the year we continued with a limited programme of socially distanced indoor events when rules and conditions allowed; though keeping pace with the seemingly weekly changes to guidelines made this increasingly challenging. This included '*Singing Proud*', a special night of black musical theatre stars from across the West End, who were all available due to the complete shutdown of major London theatres. Regular cleaning, hand sanitiser dispensers across the site and mask-wearing was implemented throughout the year to mitigate against COVID-19 risks.

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Through October - December the CREW (Croydon Emerging Writer) online programme was run remotely by Jennifer Farmer, a playwright, dramaturg and creative writing facilitator. This allowed us to help support writers from across the borough with an online development programme. This culminated in a streamed performance of pieces written specifically for online sharing. 13 short pieces were written, worked up with actors & directors, & then live-streamed. 100% of participants said they would recommend the programme to others.

We were also able to support other organisations with the challenges they faced due to COVID. This included providing space for the Brit School for their Bridge Course, as they needed to expand beyond their existing buildings to reduce the number of students in that space. We provided the London Gay Men's Chorus with weekly facilities for streamed rehearsals to their 250+ members from our new streaming studio set up in the Assembly Room. We were also able to regularly stream orchestral concerts from St Paul's Sinfonia from the main Stanley Hall; and we supported LMP and Agudo Dance with rehearsal space for the Croydon Voices project.

In November we also started the National Lottery Community Fund (NLCF) funded '*Connecting Communities*' programme which provided a wide range of online streamed classes and workshops for local people. These include creative writing, visual arts, dance and crafting. Our delivery partners included resident artists like the Sewcial Circle and Birdgang, alongside external people like Croydon's Poet Laureate, Shaniqua Benjamin. Over the course of the programme, which ran until the end of the financial year in March, we delivered 120 workshops to 400 participants with over 1,000 views of online video resources.

In November, we also completed a range of technical investments in the main Stanley Hall as funded by the Cockayne Foundation. The relative lack of a public performance programme provided this window to undertake technical infrastructure improvements.

In December, staff returned from furlough to help manage a planned Christmas programme, but were then promptly furloughed again soon after the new December lockdown was imposed. As the landscape changed over the year, our initial plans for a Christmas panto had already been reduced to a smaller scale family Christmas show but then, with the imposition of this last-minute December lockdown, we had to move the family Christmas show, '*Eunice!*', online. Our investment in streaming capacity at the beginning of the year again proved timely as it allowed us to move the entire show online with very little notice. This meant we were still able to offer a unique Christmas event to local audiences, as well as reaching people further afield. Our quick pivot to make '*Eunice!*' a Zoom interactive show helped us retain around 65% of sales, compared to industry averages of 40% or less.

During December we also helped Croydon Council establish a local Cultural Consortium to bid for Historic England (HE) funding for a cultural programme to run concurrently with the main Heritage Action Zone (HAZ) programme for South Norwood High Street. In the new year we learned that this bid was successful. This funding equates to approximately £100k over the next three years. The continuing COVID emergency has somewhat delayed the start of this programme, though a separately funded pilot project will be undertaken in May 2021. The main High Street cultural programme should get underway by late summer 2021.

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This year we were also confirmed as a Croydon Enterprise Zone (CEZ) partner, as the key lead for South Norwood to provide a 'spoke development' of the main CEZ. Though these are difficult times for Croydon Council, we continue to work closely with them on all their main cultural and regeneration projects. This includes the Borough of Culture preparations, the City Hall-funded Good Growth Fund (GGF) Project and the Historic England HAZ project.

The new year saw the appointment of Connelly Wellingham Architects to lead our capital development programme; as funded by the Architectural Heritage Fund (AHF) and HE. We are working with them to draw up a detailed plan. Their first task will be a building-wide condition survey, followed by a first stage capital investment plan which fits with the GGF programme aims, and also can be used for further fundraising bids later in the year. This appointment was followed by the recruitment of Synergy as our quantity surveyors for the upcoming project of works. By the end of March the main members of the design team were in place, including a service engineer, structural engineer and an access consultant.

An ACE funded dance project in early February, which was initially programmed as a hybrid event with limited in person audiences, as well as online viewers, was moved entirely online as the COVID situation worsened in the new year. Even so, the *Freedom of Movement* online dance festival was a big success with over 200 paid devices watching over 3 days - which equates to around 400 - 500 people. We supported three dance companies; Birdgang, Agudo Dance and Beeja to make or develop three pieces offering extensive rehearsal space support over January - March. A range of industry professionals also watched the stream; including from The Place, MAC Birmingham, Sadlers Wells, Akram Khan, and BAC; helping to promote Stanley Arts as a home for dance. All three companies are now exploring future developments of their pieces.

Alongside the main project, Vipul Sangoi also ran an online community photography project which included refugee participants along other people. The work from this project, along with photographs from the show will be displayed on new building banners and external-facing posters as well as part of an online and in-person exhibition in the gallery in April & May.

With the progressive easing of restrictions through March the plan is to start returning staff from furlough as the year draws to a close. Our new building banners made their first appearance at the end of the financial year, signalling our new identity and a new beginning for Stanley Arts.

Stanley Arts - A New Identity

Starting in August 2020, and culminating in January 2021, we used the enforced closure of much of our regular activity to take time to interrogate our organisational identity and culture. This resulted in a clarification of our artistic aims and charitable objects, as well as a brand new name, website and visual identity for the charity.

As Stanley Arts we will aim to be one of South London's premiere arts and performance venues, providing our local community with a vital home for cultural expression and discovery. As a radically inclusive space we will seek to foreground under-represented voices, providing artists of colour and LGBTQ+ creatives with a platform to reach out to audiences across South London and beyond.

Stanley Arts will welcome all audiences and all artists, but be particularly welcoming to communities that have previously been excluded from creative spaces.

Our artistic family includes the widest range of artists working in dance, music, theatre, performance, visual arts, and crafts. We will seek to give emerging artists across all these art forms the opportunity to grow through innovation, collaboration and participation.

TRUSTEES ANNUAL REPORT

With a particular eye on the creative technologies of the future, we will embrace opportunities to create and share work through digital media.

We stand up for our family.

We stand out from the crowd.

We stand proud of our heritage.

We stand together with our community.

We stand for Stanley.

Fundraising

With the full closure forced by COVID-19 at the start of the year we commenced a fundraising campaign. This included a request for local support which raised around £2k in small donations by the end of June through the early stages of the pandemic.

This welcome local support was augmented with large scale emergency funding from ACE, NLCF, HE and Croydon Council Culture Fund. There was also additional support from hospitality industry government support grants. By far the largest contribution to our fundraising income over the year was from the government's Coronavirus Job Retention Scheme which initially supported the majority of our payroll costs.

Over the year we benefited from around £290k of grant funding from statutory bodies, including furlough payments. The majority of this income was related to emergency COVID funding, alongside funding for our capital development project and some ACE funding for creative programming in February with the *Freedom of Movement Festival*.

A new funding agreement with the AHF was agreed by October 2020 for continued support of our growing capital development project. The AHF are supporting the staffing costs for the professional design team, including the architects, alongside funding from an emergency Historic England grant.

The trustees wish to thank the individuals, groups, organisations, trusts, foundations and statutory authorities for their support of Stanley Arts in a year which has been catastrophic for so many people both personally and professionally. We are beyond grateful.

FINANCIAL REVIEW

2020 – 2021 saw us reverse the trend of losses from the previous two years, and despite the pandemic, we recorded a profit of £18,190. This was a significant turnaround from the previous year's loss of £33,254.

During the year, the charity received income totalling £493,829 (2020: £304,039). Expenditure for the year totalled £475,639 (2020: £337,293).

Our income mix in 2021 was significantly different to that of prior years. The principal source of funds during the year was income from donations, grants & fundraising (67% of total income in 2021 vs 17% in 2020) totalling £332,745. A special mention to our Fundraising Manager, Nicholas Morgan for his stellar efforts in helping to drive this outcome.

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Despite the long-term closure of the building to the public, café & bar sales only fell by 37% to £58,631, reflecting the establishment of the Yard Bar. Unsurprisingly, letting income also fell by 56% to £54,285 representing just 11% of total income. A bright note was the increase in Performance/Art event income from £29,236 to £38,363 reflecting an increase in programming when possible.

In terms of expenses and investments, the Board continued to invest in staff, ensuring that by year-end, anyone employed by Stanley Arts would at least be paid the London Living Wage. This has been a long-held aspiration for the charity and we have now applied for accreditation as a London Living Wage Employer. We also employed a number of producers for specific creative projects (Heritage Trail, CREW, Connecting Communities) throughout the year. Our average headcount for the year increased from 10 to 14.

The Board also invested a further £53,121 in fixed assets throughout the year, primarily through grants and funding.

During the year, 40% of the charity's charitable activity was funded by unrestricted funds.

Investment Policy

There are no restrictions on the charity's power to invest and the current policy is to invest in short term funds with the charity's bankers.

Reserves Policy

In order to provide an effective and efficient service, the trustees have set a reserves level to enable a smooth transition to a lower level of service, in the event of funding not being sufficient to cover expenses in the future. The trustees have a target of approximately three to six months of budgeted operating expenses between £39,000 and £90,000. By year-end, the total of reserves increased from £19,604 (which incorrectly included a pending liability of £5,016) to £42,809 (comprising £13,555 in restricted reserves and £29,254 in unrestricted reserves). The £5,016 liability related to an incorrect set-up of the payroll function in the Charity's accounting system and has now been fixed.

The next review of target reserve levels is due in the 2021-22 financial year, and the trustees anticipate this being increased. At the same time, the trustees remain confident that reserves will continue to grow over the medium term as evidenced by the successful track record that has been built with funding applications during 2020 - 2021 (as referenced elsewhere in this report) and the investments in infrastructure which we anticipate will bring additional revenue.

STATEMENT OF PUBLIC BENEFIT

The objectives and activities and achievements and performance sections of this report clearly set out the activities which the charity undertakes for the public benefit. The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the charity.

TRUSTEES ANNUAL REPORT

RISK MANAGEMENT

Trustees are mindful of their responsibilities and review risk on a regular basis. The trustees have considered the broad areas of risk for the charity and have put in place certain measures to mitigate or negate these risks. This is kept under review and specialist advice is sought where necessary.

FUTURE PLANS

The COVID-19 pandemic continued to impact on our plans throughout the year, however, as is referenced elsewhere in this report, this time has been used wisely to lay the foundations for the next 3-5 years as we build out our artistic programming and capital works programme in line with our new vision.

Looking ahead, there are multiple opportunities for Stanley Arts to become an integral part of the creative arts sector both locally and beyond. We are ready.

STRUCTURE, GOVERNANCE AND MANAGEMENT

On 20 November 2020, the Charity Commission approved the charity's new name, Stanley Arts.

The charity is constituted as a Charitable Incorporated Organisation. As noted elsewhere, the Charity approved a new constitution and charitable objects at a general meeting of members on 19th January 2021. In accordance with the charity's constitution, there shall not be less than five trustees nor more than eleven trustees at any time.

Until 19th January 2021, one Trustee was nominated by the local ward councillors. Under the new constitution, all Trustees are nominated and appointed by the existing trustees on the basis of specific skills and knowledge to enable them to make a contribution to the management of the charity.

Day-to-day management of Stanley Arts is delegated to the Venue Director, Dr Daniel Winder, and the Board records its appreciation to Dan and his team for their contribution over an exceedingly difficult period.

Declaration

The trustees declare that they have approved the trustees' report above. Signed on behalf of the charity's trustees.

Signatures

Full Names
Position
Date

Cameron McLeod
Trustee/Chair

19/11/2021

Orlene Allen
Trustee/Treasurer

19/11/2021

Independent examiner's report to the trustees of STANLEY ARTS ('the CIO')

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 March 2021.

Responsibilities and basis of report

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

I report in respect of my examination of the CIO's accounts carried out under section 145 of the Act. In carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

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:

1. accounting records were not kept as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

Signed:



Date: 15 September 2021

Moses Sena Kpetigo (a.k.a. Moses Sena)
MAAT Msc Finance and Accounting
VECTIDE Corporate
2-4 Ravenstone Street
London
SW12 9SS

STANLEY ARTS
(A Charitable Incorporated Organisation)

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Current year Unrestricted Funds £	Current year Restricted Funds £	Current year Total Funds £	Prior Year Total Funds £
Income & Endowments from:					
Donations & Legacies	2a	49,318	283,427	332,745	51,389
Charitable activities	2b	160,969	-	160,969	252,339
Investments	2c	115	-	115	311
Total income		210,402	283,427	493,829	304,039
Expenditure on:					
Raising funds		15,674	-	15,674	7,156
Charitable activities	3	182,593	277,372	459,965	330,137
Total expenditure		198,267	277,372	475,639	337,293
Net (expenditure)/income for the year		12,135	6,055	18,190	(33,254)
Net income after transfers		12,135	6,055	18,190	(33,254)
Net movement in funds		12,135	6,055	18,190	(33,254)
Reconciliation of funds:					
Total funds brought forward		12,104	7,500	19,604	52,858
Total funds carried forward		24,238	13,555	37,793	19,604

All of the charity's transactions are derived from continuing operations

The Statement of financial Activity includes all gains and losses recognised in the year.

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BALANCE SHEET
AS AT 31 MARCH 2021

	Notes	Current year 2021 £	Current year 2021 £	Prior Year 2020 £	Prior Year 2020 £
Fixed assets					
Tangible assets	9		75,885		53,215
Current assets					
Stocks	10	2,709		4,221	
Debtors	11	33,744		27,353	
Cash at bank and in hand		137,895		122,561	
Total current assets		174,348		154,135	
Liabilities					
Creditors: amounts falling due within one year	12	(127,424)		(97,746)	
Net current assets			46,924		56,389
Total assets less current liabilities			122,809		109,604
Creditors: amounts falling due after more than one year	13		(80,000)		(90,000)
The total net assets of the charity			42,809		19,604
The funds of the charity					
Unrestricted Funds	14		29,254		(15,976)
Restricted Funds	15		13,555		35,580
Total charity funds			42,809		19,604

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.


Approved by the Board of Trustees and signed on their behalf by:

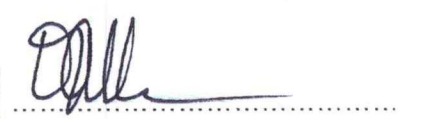
Signatures:

Full Names:

Position:

Date:


Cameron McLeod
Trustee/Chair
19/11/2021


Orlene Allen
Trustee
19/11/2021

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES

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

a. Basis of preparation

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

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

b. Income recognition policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- Any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- There is sufficient certainty that receipt of the income is considered probable; and
- The amount can be measured reliably.

Income received in advance is deferred until the criteria for income recognition are met.

The charity received grants in respect of its activities. Income from grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Other income includes income earned from events and activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is included when receivable.

c. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised when there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Cost of raising funds are those costs incurred in attracting voluntary income

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs allocated directly to such activities and costs of an indirect nature necessary to support them.

Irrecoverable VAT is charged as an expense against the activity for which activity arose.

d. Support Cost Allocation

Support costs are those functions that assist the work of the charity but do not directly represent charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs can't be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

e. Fund Accounting

Unrestricted funds are funds which can be used in accordance with the charitable objects of charity at the discretion of the Trustees.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Trust's work or for specific artistic projects being undertaken by the Trust.

f. Tangible Fixed Assets

All Assets costing over £500 are capitalised. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets less their estimated residual value, over their expected useful lives as follows:

Fixtures and Fittings – 25% straight line; Plant and Equipment – 25% straight line

g. Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised on receipt at fair value which is the amount the charity would have been willing to pay for the items on the open market.

h. Debtors and creditors receivable/payable within one year

Debtors and Creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

i. Creditors payable after one year

Financial liabilities, including bank loans, payable after one year, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

j. Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2 Income and Endowments

	Unrestricted Funds £	Restricted Funds £	Total Funds £	Prior year Funds £
<i>2a Donations and Legacies:</i>				
Donations and gifts	2,096	-	2,096	3,809
Government Grants		225,183	225,183	15,580
Local Council Grants	47,222	9,994	57,216	32,000
Other Grants	-	48,250	48,250	-
	49,318	283,427	332,745	51,389
<i>2b Charitable Activities:</i>				
Café & Bar Sales	58,631	-	58,631	92,585
Letting income	54,285	-	54,285	123,947
Performance art events	38,363	-	38,363	29,236
Other income	9,690	-	9,690	6,571
	160,969	-	160,969	252,339

3 Charitable expenditure

	Direct Costs £	Share	Support Costs £	Total 2021 £	Total 2020 £
<i>Charitable Activities:</i>					
Community Lettings	21,519	40%	162,963	184,482	121,410
Performances and events	4,888	40%	162,963	167,851	109,880
Bar/Café	26,151	20%	81,481	107,632	98,847
Total	52,558	100%	407,407	459,965	330,137

4 Support Cost

	2021 £	2020 £
Rent and Premises expenses	75,757	38,999
Telephone and Internet	1,601	1,084
Office Supplies	892	2,167
Insurance	4,901	4,368
Miscellaneous	56,700	28,826
Governance (Note 5)	267,556	189,174
	407,407	264,618

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

	2021	2020
	£	£
5 Governance Costs		
Audit and Accountancy	3,954	5,627
Legal and Professional Services	13,966	4,134
Bank Charges	2,615	2,518
Depreciation	29,828	10,764
Staff Cost (Note 8)	217,193	166,131
	267,556	189,174

	2021	2020
	£	£
6 Details of certain items of expenditure		
Independent examiners Fees	500	500
Other fees - accountancy services	1,900	1,900
	2,400	2,400

- 7 Trustees Remuneration**
None of the trustees received remuneration. Reimbursed expenses during the year was £0.00 (2020: £88.00)

	2021	2020
	£	£
8 Staff Cost		
Salaries and Wages	183,952	154,239
Social Security Cost	13,121	7,036
Pension costs	2,839	2,289
Other employee benefits	17,281	2,567
	217,193	166,131

The average number of employees by headcount

Numbers	Numbers
14	10

No employees received employee benefits (excluding employer pension costs) for the reporting period and prior period of more than £60,000.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9 Tangible Fixed Assets

	Plant & Machinery £	Fixtures & Fittings £	Total £
Cost or revaluation:			
At 1 April 2020	44,109	39,950	84,059
Additions	45,828	7,293	53,121
Disposals	(1,209)	(300)	(1,509)
At 31 March 2021	88,728	46,943	135,671
Depreciation:			
At 1 April 2020	12,397	18,447	30,844
Disposals	(586)	(300)	(886)
Depreciation	16,699	13,128	29,828
At 31 March 2021	28,510	31,276	59,786
Net book value at the end of the year	60,218	15,667	75,885
Net book value at the start of the year	31,712	21,503	53,215
10 Stocks & Work in Progress		2021	2020
		£	£
Stocks		2,709	4,221
11 Debtors		2021	2020
		£	£
Trade debtors		16,915	9,067
Prepayments		-	214
Accrued income		16,829	18,072
		33,744	27,353
12 Creditors: amounts falling due within one year		2021	2020
		£	£
Trade creditors		10,929	3,652
Taxation and social security		154	1,441
Deferred income		56,434	30,283
Other creditors		14,085	8,027
Accrued expenses		45,822	54,343
		127,424	97,746
Deferred income reconciliation			
Balance brought forward		30,283	17,070
Amount released to the Statement of Financial Activities		26,151	13,213
Amount deferred in the year		56,434	30,283
Balance carried forward		56,434	30,283

Deferred income includes grants received of £13,555 (2020: £7,500)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

13 Creditors: amounts falling due after one year	2021 £	2020 £
Other creditors (repayable by April 2030 and is interest free)	80,000	90,000

14 Analysis of Assets Between Funds

	Unrestricted funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	75,885	-	75,885
Net Current Assets	33,369	13,555	46,924
Long Term Liabilities	(80,000)	-	(80,000)
	29,254	13,555	42,809
Prior year:			
Tangible Fixed Assets	53,215	-	53,215
Current Assets	20,809	35,580	56,389
Long Term Liabilities	(90,000)	-	(90,000)
	(15,976)	35,580	19,604

15 Restricted Funds

	Balance Brought Forward £	Incoming £	Outgoing £	Balance Carried Forward £
<u>Government Grants:</u>				
Arts Council	-	106,123	104,653	1,470
COVID-19 Job Retention Scheme (CJRS)	-	66,863	66,863	-
National Lottery Community Fund	-	29,806	29,812	(6)
Historic England - COVID Emergency Funding	-	12,877	786	12,091
Architectural Heritage Fund Grant	-	16,864	16,864	-
<u>Local Council Grants:</u>				
Croydon Culture Relief Fund	7,500	5,000	12,500	-
Music City Grant		4,994	4,994	-
Other Grants	-	48,250	48,250	-
	7,500	290,777	284,722	13,555

16 Unrestricted Funds

	Balance Brought Forward £	Incoming £	Outgoing £	Balance Carried Forward £
<u>Local Council Grants:</u>				
Hospitality Industry Grant	-	20,000	20,000	-
COVID-19 Lockdown and Restrictions Grant	-	17,222	17,222	-
Night-time Grant	-	10,000	10,000	-
	-	47,222	47,222	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Arts Council

Freedom of Movement Festival - This grant was for a dance festival in February 2021 featuring three dance companies and was used to pay artists and producers of the festival.

Cultural Recovery Fund – This grant helped cover staff costs not covered by the furlough scheme, artists' fees, basic operating costs, and some additional online content costs from October 2020 to March 2021.

Emergency COVID Culture Grant - This grant funded a range of core costs including signage, cleaning, staffing etc. It also funded online cultural activity to keep artists and audiences engaged.

Coronavirus Job Retention Scheme (CJRS)

Grant used to fund part payment of wages and salaries of furloughed employees during the coronavirus (COVID-19) national lockdown.

National Lottery Community Fund

Connecting Communities Project. This grant funded a range of online community arts programmes from November 2020 to March 2021.

Historic England

This grant focused on heritage buildings at risk and used to fund surveys and professional fees including improvements and repairs of Stanley Arts buildings, including a pilot project to fund treasure hunt down South Norwood High Street, which paid for artist wages, production costs and online services.

Architectural Heritage Fund (AHF)

These grants supported programmes of organisation development for Stanley Arts throughout 2020 and 2021. This included wage support for a new 0.6FTE fundraising manager, recruitment costs and business planning.

Croydon Culture Relief Fund

These funds are from the Culture Funding programme and represent match-funding for the AHF funding for the fundraising manager role.

Music City Grant

This grant funded the Music City Grant programme and was given to support technical infrastructure investment in the Assembly Room

17 Related party transactions

There are no related party transactions (2020: nil)