

# STANLEY ARTS

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022  
FOR  
STANLEY ARTS**

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Ashdown Hurrey Auditors Limited  
Statutory Auditors  
20 Havelock Road  
Hastings  
East Sussex  
TN34 1BP

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FOR THE YEAR ENDED 31 MARCH 2022**

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## STANLEY ARTS

### CHAIR'S FOREWORD FOR THE YEAR ENDED 31 MARCH 2022

The start of the 2021/22 year saw us taking a tentative peek above the pandemic parapet. Having been closed to the public for much of the previous year, navigating a return to a semblance of 'new normal' took up much of our early months. And while bringing our teams back from furlough was a major step forward, it was easily apparent that hirer and audience behaviour had changed significantly over the previous two years. People were hesitant to programme or attend events, and hirers showed significant reluctance to book for fear of rapid changes in government COVID-19 policy.

Our gradual reopening over the first six months of the year was dealt a blow by the emergence of a new COVID variant in November/December which again forced cancellations and dented any lessening of reluctance among programmers, hirers and audiences.

While this impacted our financial recovery, we were grateful to receive ongoing support from statutory and other funders, including Arts Council England, Mayor of London, Croydon Council, DCMS, Historic England, National Lottery Heritage Fund, Theatres Trust, Leche Trust & the Architectural Heritage Fund.

We were delighted to realise a long-held ambition during the year by becoming an accredited Living Wage Employer, ensuring our staff and casuals are paid at least the London Living Wage.

We made significant progress on our Capital Development Plan throughout the year, with major improvements to the Assembly Room and Gallery as well as increasing accessibility across the building as part of the Phase I works. Phase II plans have commenced covering the front of the building and we hope to have these complete by the end of FY23. We also commenced negotiations to extend the sub-lease from Croydon Council to Stanley Arts to 50 years. This will provide further comfort to funders and potential funders in terms of organisational stability.

As mentioned in our 2021 Annual Report, for a number of our trustees the transition from the Stanley People's Initiative (SPI) 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. Following an extensive and targeted recruitment campaign, we appointed seven new trustees and farewelled three taking our total board membership to the maximum eleven permitted by our constitution.

Our new trustees have helped build a more diverse board across gender, age and ethnicity characteristics and we are determined to continue this in future recruitment rounds. We also actively targeted more trustees from within the arts & cultural sector as we seek to build and reflect a more diverse artist and audience base.

The Board wishes to thank retiring trustees:

James Higgott joined the Board in May 2017 as our Lead on marketing and digital, and also served as Vice Chair for two years.

Jonathan Pelluet became a trustee in March 2015 and served for six years as our Board lead on fundraising and development. Jon was the lead on two very significant and detailed HLF bids among others, and aside from his particular expertise, always brought a calm, level-headed approach to board discussions.

Kathy Bee joined the Shadow Board in July 2013 prior to the Stanley People's Initiative (SPI) becoming a charity. She also served as Chair for two years as my predecessor as Chair and as our Board Lead on Risk. Kathy's contribution to what was SPI and is now Stanley Arts is perhaps not as broadly known as it should be. As a local councillor, Kathy played a pivotal role in the early days of SPI and in the Community Asset Transfer of Stanley Halls to the charity. I valued her ongoing advice and support, particularly in my early days as Chair and during some of the trickier moments we had to navigate over the years.

In the second half of the year, we began to increase our creative/artistic staff capacity with the recruitment of three full-time roles - a Heritage Engagement Manager, Senior Technician and an Assistant Producer focused on programming and marketing.

Despite the level of uncertainty still prevalent at the end of the year, we feel very optimistic about the year ahead. We are in good financial shape with clear plans for the future, guided by our vision 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. We will continue to seek to foreground under-represented voices, providing black, global majority, working-class, neuro divergent and LGBTQI+ creatives with a platform to reach out to audiences across South London and beyond.

To quote Malik Shabazz Kitchen, an actor currently performing in 'Hamilton':

"Audiences have changed. We have changed. We have all experienced a collective trauma that will not soon be forgotten. The gift of theatre is that it allows us to escape our reality & simultaneously have our lives & experiences reflected back at us. The joy of friendship, the pain of loss, the wonder of love, the bond of family...The last few years have brought about a significant shift in our society & in...culture specifically. There is a palpable tension between what was" and what "can be" in so many aspects of our socio-political environment.

## **STANLEY ARTS**

### **CHAIR'S FOREWORD FOR THE YEAR ENDED 31 MARCH 2022**

"(Our work) feels like a constant reminder to our audiences of the importance of equity, diversity, & inclusion. It is a physical manifestation of the beauty of diversity and what (the arts) can and SHOULD look like. There is a lot I don't understand about our world but one thing I do understand is the importance of the presence of love, understanding, humility & patience in all of us."

On behalf of the trustees of Stanley Arts, I extend my thanks to the individuals, groups, organisations, trusts, foundations and statutory authorities that have continued to support us. And to our remarkable staff who consistently do all they can to make a positive contribution to the cultural fabric of South Norwood, Croydon and beyond - you are all amazing.

Cameron McLeod  
Chair of Trustees  
Stanley Arts

## **STANLEY ARTS**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022**

The trustees present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and activities**

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

The objects of the Charity 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:

- Our biggest yet investment in building restoration, accessibility, and technical infrastructure
- Programming and/or hosting events open to the public - with a clear link to our renewed vision and aspiration 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.
- Actively participating in We Love SE25 community group, Croydon Cultural Network and the 2023 London Borough of Culture steering group
- Pursuing a range of fundraising applications aimed to continue the ongoing restoration of our building and the financial sustainability of our organisation
- Supporting local suppliers with a policy of 'buying local' in the bar and café

##### **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.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

**ACHIEVEMENT AND PERFORMANCE**

**Venue Director's Summary**

The year 2021-22 saw a patchy recovery from the financial pressures and challenges of the COVID-19 pandemic. The slow reopening over April - November was then tempered with a resurgence of the virus in the winter which again hit festive seasonal revenues. In terms of our external commercial hires, rehearsal and filming bookings held up, or exceeded expectations, but private event bookings were still a long way down on the pre-pandemic era. Classes and workshops did not fully recover either. Some regular annual events, like the CAMRA beer festival, were cancelled.

Financially we did well, generating a £40k surplus over the 12 months period, though it is worth noting that this positive outturn was greatly helped by £90k+ filming hires income in Q1 & Q2. These large-scale film bookings were possible because the venue was largely unoccupied by public events or private hires at the start of the year and so we were able to give it over to some very large-scale bookings. We invested some of this filming income windfall over Q3 & Q4 into expanding the payroll with several new full-time members of staff joining, these included a full time Events Administrator, Assistant Producer, Cafe Manager and Senior Venue Technician.

We undertook our most significant capital investment project to date. This first phase of capital works had an overall budget of £640k with funding from Historic England of £246k, National Lottery Heritage Fund (NLHF) of £120k, The Mayor's Good Growth Fund of £120k, Architectural Heritage Fund (AHF) of £63.5k, and £5k from the Theatre Trust. The balance was made up from Stanley Arts reserves. The works were focused on the Gallery, which was transformed from an underused part of the building into a space that can hold three functions: as a daytime workspace, exhibition gallery, and event bar. The lantern windows were renewed with new modern glazing. Power, lighting, and other services were replaced, and a new bar was installed, more sympathetic to the original architecture of the building. A big conservation win was the uncovering of the original marble floor, and while its restoration was out of scope of the budget, we took the decision to invest in bringing it back to life. Further work is still needed and will form part of future capital investment.

Alongside the Gallery works, we renewed and updated the disabled toilet in the clocktower, fixed the disabled ramp and automated doors to improve the accessibility of the space. A new mezzanine floor in our double height basement underneath the end of the gallery provides a new beer cellar.

At the Cumberlow Avenue end of the building, we undertook extensive external repairs to the roof and gables of the Assembly Room to address a historic source of water ingress. New lead under the coping stones and on the base of the cupola was installed. Inside we installed underfloor heating and a new wooden floor which allowed us to make the Assembly a more functional space that can now be used year-round. The additional win from a conservation point of view was that this allowed us to remove the unsightly modern wall mounted radiators, exposing the historic tiles underneath.

Overall, the schedule for the works overran, though we were able to stick to the specific timetable of our funders and get the Historic England-funded works finished by the end of March 2022. The overruns were caused in part by material supply problems, exacerbated by the after-effects of the pandemic, and the war in Ukraine. The rest of the Phase 1 works were completed through the first quarter of the following year, with final completion at the end of Q2 YE23.

We were also successful in gaining £200k from Arts Council England (ACE) to fund capital investment in our technical infrastructure and to pay for some additional toilet works. These extra technical investments started at the end of March 2022.

The capital funding from NLHF came along with another £120k for heritage engagement work. This has allowed us to recruit a full time Heritage Engagement Manager who started at the end of March 2022. The ongoing Historic England Heritage Action Zone cultural project, known as 'Inventing South Norwood', has continued with a range of different grant-funded events including a themed treasure hunt across South Norwood. Our monthly Invention Points at the Clocktower Market have illuminated South Norwood's history of invention and given locals the chance to try different craft skills.

The artistic programme slowly grew back post-pandemic, with our continuing commitment to participatory dance a key part of the offering. Vogue ballroom events, hip-hop dance and other community dance events were successful. Our Dance:01 mini-festival was an ACE funded showcase for local dance companies with hybrid performances for both online and in-person audiences. We produced a range of queer arts events through the year, with drag at the centre, plus a black queer documentary season curated by The Batty Mama. We worked with partners Drunken Chorus and Club Soda to provide theatre & cabaret for D(d)eaF, disabled and neuro-divergent artists and audiences. Our family events were also key, with dance and theatre programming around the summer, Halloween and winter seasons. We put on our first professional panto with Petite Pantos and our Santa's Grotto was a big success.

## **STANLEY ARTS**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022**

The New Beginning season in January saw us give free and subsidised rehearsal space to young artists. This programme was a great success in terms of engagement, with lots of people attending the sharings. February's Queer+ Season was also a success with a programme of films, events & Q&As well attended. A female professionals networking event on International Women's Day was popular and something we will repeat. Running a more 'seasonal' style of programming in the early spring was a learning process.

Overall, considering the considerable financial and operational headwinds, the year was a marked success with significant capital investment, an expansion in the core staffing levels and continued fundraising success. These challenges will continue, with major macro-economic pressure not going away, but we are in a good position to weather the storm and continue to grow both our turnover and the range and scale of our artistic reach as an organisation.

#### **FINANCIAL REVIEW**

##### **Financial position**

Despite the ongoing impact of the pandemic, 2021 - 2022 saw us build on the momentum of the previous year and record a profit of £35,529. This built on the success of the previous year's profit of £18,190.

During the year, the charity received income totalling £681,045 (2021: £493,828). Expenditure for the year totalled £645,516 (2021: £475,638).

Our income in 2022 returned to a more normalised mix after a significantly different year in 2021. The principal source of funds during the year was from our charitable activities as opposed to donations, grants & fundraising. Charitable activities generated £472,367 (69% of total income vs 33% in 2021), while income from donations, grants & fundraising (31% of total income in 2022 vs 67% of total income in 2021) totalled £208,634.

In terms of expenses and investments, the Board continued to invest in expanding our programming, staff, and physical assets, including the buildings themselves. In terms of our staff, we are now a London Living Wage accredited employer, and our average headcount for the year increased from 14 to 19. This exponential growth has been made possible through successful fundraising as well as the efforts of our existing staff.

The Board also made its most significant investment in fixed assets during the year spending £424,954 on capital improvements, almost 95% of which was targeted at improvements to property.

During the year, 75% of the charity's charitable activity was funded by unrestricted funds.

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

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 months of core payroll/budgeted operating expenses between £70,000 and £150,000. At this stage, we are targeting the low end of the range (£70,000), up from £39,000 in previous years. The trustees also designate funds for specific purposes from time to time.

By year-end, the total of reserves increased from £42,810 to £78,339 (comprising £0 in restricted reserves and £78,339 in unrestricted reserves).

#### **FUTURE PLANS**

We plan to continue to grow our staff capacity to support our expanded programming focus, as well our active participation in Croydon's year as 2023 London Borough of Culture. Continuing to execute on our Capital Development Plan will also feature in the coming year.

A significant effort will be put into applying to become part of Arts Council England's National Portfolio from the start of 2023. This is three years earlier than what was in our existing plan, however with Croydon being London Borough of Culture and a Priority Place, the Board and senior team have agreed the time is ripe for an application. If successful, this will be transformative for Stanley Arts in the medium to longer-term.

We will also commence recruitment for a new Chair of Trustees during the year as the current Chair will reach six years in post in September 2022.

## **STANLEY ARTS**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

Stanley Arts is constituted as a Charitable Incorporated Organisation and operates under a constitution and with charitable objects approved 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.

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

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.

##### **Organisational structure**

The Board has established a number of groups and committees with specific Terms of Reference to assist in providing oversight and constructive challenge. These currently include the HR Committee, Capital Works Group, Artistic Development & Audience Engagement Group, and the Fundraising Group. These groups will continue to evolve as needs change.

Day-to-day management of Stanley Arts is delegated to the Venue Director, Dr Daniel Winder, and the Board once again records its appreciation to Dan and his team for their contribution over another challenging year.

##### **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.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

1155680

##### **Principal address**

12 South Norwood Hill  
London  
SE25 6AB

##### **Trustees**

C McLeod	
R Coopey	(appointed 19.5.21)
J Burden	
O Allen	
S Ballard	(appointed 19.5.21)
S D'Anjou	(appointed 19.5.21)
C Evans	(appointed 19.5.21)
A Green	(appointed 19.5.21)
K Thomas-Currie	(appointed 19.5.21)
G Whitlock	
EM Williams	(appointed 19.5.21)
K Bee	(resigned 18.5.21)
J Higgott	(resigned 18.5.21)
J Pelluet	(resigned 18.5.21)

##### **Independent Examiner**

Ashdown Hurrey Auditors Limited  
Statutory Auditors  
20 Havelock Road  
Hastings  
East Sussex  
TN34 1BP



**STANLEY ARTS**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

Approved by order of the board of trustees on 17 January 2023 and signed on its behalf by:

C McLeod - Trustee

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 MARCH 2022**

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF STANLEY ARTS**

### **Independent examiner's report to the trustees of Stanley Arts**

I report to the charity trustees on my examination of the accounts of Stanley Arts (the Trust) for the year ended 31 March 2022.

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

As the charity trustees of the Trust 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 Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

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

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

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 in respect of the Trust 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.

S R Sampson BFP FCA FCIE DChA  
Institute of Chartered Accountants in England and Wales  
Ashdown Hurrey Auditors Limited  
Statutory Auditors  
20 Havelock Road  
Hastings  
East Sussex  
TN34 1BP

20 January 2023

**STANLEY ARTS**
**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted fund £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and grants	3	63,007	145,627	208,634	332,745
<b>Charitable activities</b>					
Cafe & Bar		154,448	-	154,448	58,631
Community Letting		253,301	-	253,301	54,285
Performance Arts		56,132	-	56,132	38,362
Other Income		8,486	-	8,486	9,690
Investment income	4	44	-	44	115
<b>Total</b>		<u>535,418</u>	<u>145,627</u>	<u>681,045</u>	<u>493,828</u>
<b>EXPENDITURE ON</b>					
<b>Raising funds</b>					
Raising donations and legacies	6	17,427	-	17,427	15,674
		<u>17,427</u>	<u>-</u>	<u>17,427</u>	<u>15,674</u>
<b>Charitable activities</b>	7				
Cafe & Bar		156,793	91,754	248,547	107,633
Community Letting		150,781	33,717	184,498	184,481
Performance Arts		161,327	33,717	195,044	167,850
<b>Total</b>		<u>486,328</u>	<u>159,188</u>	<u>645,516</u>	<u>475,638</u>
<b>NET INCOME/(EXPENDITURE)</b>		49,090	(13,561)	35,529	18,190
Transfers between funds	19	(6)	6	-	-
<b>Net movement in funds</b>		<u>49,084</u>	<u>(13,555)</u>	<u>35,529</u>	<u>18,190</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		29,255	13,555	42,810	24,620
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>78,339</u></u>	<u><u>-</u></u>	<u><u>78,339</u></u>	<u><u>42,810</u></u>

The notes form part of these financial statements

**STANLEY ARTS**
**BALANCE SHEET  
31 MARCH 2022**

	Notes	Unrestricted fund £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	13	72,283	399,971	472,254	75,886
<b>CURRENT ASSETS</b>					
Stocks	14	5,908	-	5,908	2,709
Debtors	15	10,262	419,483	429,745	33,744
Cash at bank and in hand		177,725	101,483	279,208	137,901
		<u>193,895</u>	<u>520,966</u>	<u>714,861</u>	<u>174,354</u>
<b>CREDITORS</b>					
Amounts falling due within one year	16	(107,839)	(920,937)	(1,028,776)	(127,430)
<b>NET CURRENT ASSETS</b>		<u>86,056</u>	<u>(399,971)</u>	<u>(313,915)</u>	<u>46,924</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		158,339	-	158,339	122,810
<b>CREDITORS</b>					
Amounts falling due after more than one year	17	(80,000)	-	(80,000)	(80,000)
<b>NET ASSETS</b>		<u>78,339</u>	<u>-</u>	<u>78,339</u>	<u>42,810</u>
<b>FUNDS</b>	19				
Unrestricted funds				78,339	29,255
Restricted funds				-	13,555
<b>TOTAL FUNDS</b>				<u>78,339</u>	<u>42,810</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 17 January 2023 and were signed on its behalf by:

C McLeod - Trustee

O Allen - Trustee

**STANLEY ARTS**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	31.3.22 £	31.3.21 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	475,022	68,340
Net cash provided by operating activities		<u>475,022</u>	<u>68,340</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(424,954)	(53,121)
Interest received		44	115
Net cash used in investing activities		<u>(424,910)</u>	<u>(53,006)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>50,112</u>	<u>15,334</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	2	<u>137,895</u>	<u>122,561</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	2	<u><u>188,007</u></u>	<u><u>137,895</u></u>

The notes form part of these financial statements

# STANLEY ARTS

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

### 1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.22 £	31.3.21 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	35,529	18,190
<b>Adjustments for:</b>		
Depreciation charges	28,586	29,827
Interest received	(44)	(115)
(Increase)/decrease in stocks	(3,199)	1,512
Increase in debtors	(396,001)	(6,391)
Increase in creditors	810,151	25,317
<b>Net cash provided by operations</b>	<u>475,022</u>	<u>68,340</u>

### 2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.3.22 £	31.3.21 £
Cash in hand	1,517	1,222
Notice deposits (less than 3 months)	277,691	136,679
Overdrafts included in bank loans and overdrafts falling due within one year	(91,201)	(6)
<b>Total cash and cash equivalents</b>	<u>188,007</u>	<u>137,895</u>

### 3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
<b>Net cash</b>			
Cash at bank and in hand	137,901	141,307	279,208
Bank overdrafts	(6)	(91,195)	(91,201)
	<u>137,895</u>	<u>50,112</u>	<u>188,007</u>
<b>Debt</b>			
Debts falling due within 1 year	(10,000)	-	(10,000)
Debts falling due after 1 year	(80,000)	-	(80,000)
	<u>(90,000)</u>	<u>-</u>	<u>(90,000)</u>
<b>Total</b>	<u>47,895</u>	<u>50,112</u>	<u>98,007</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**1. STATUTORY INFORMATION**

Stanley Arts is a Charitable Incorporated Organisation, registered in England & Wales. The charity's registered number and registered office address can be found in the Report of the Trustees.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

**Income**

All income is recognised in the Statement of Financial Activities 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.

**Expenditure**

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

Expenditure is categorised under the following headings:

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

**Allocation and apportionment of costs**

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 attributable to particular headings, they have been allocated to expenditure on charitable activities on a basis consistent with the 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.

**Tangible fixed assets**

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



**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022**

**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Improvements to property	- 20% on cost
Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost

All assets costing over £500 are capitalised. Tangible fixed assets are stated at cost less depreciation.

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

**Stocks**

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

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.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

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

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

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

**Pension costs and other post-retirement benefits**

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

**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.

**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.

**Going Concern**

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

**Government Grants**

In accordance with s24 of FRS 102 these are treated using the accruals model and so are recognised in income on a systematic basis over the periods in which the charity recognises the related costs for which the grants are intended to compensate.

**STANLEY ARTS****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022****3. DONATIONS AND GRANTS**

	31.3.22	31.3.21
	£	£
Donations	2,059	2,096
Government Grants	34,112	225,183
Local Council Grants	-	57,216
Other Grants	172,463	48,250
	<u>208,634</u>	<u>332,745</u>

The entity has received the following from the UK government in respect of COVID 19 grants and reliefs:

	31.03.22	31.03.21
	£	£
Coronavirus Job Retention Scheme (CJRS)	5,112	66,863
Small Business Grant Fund	29,000	52,222
	<u>34,112</u>	<u>119,085</u>

There are no unfulfilled conditions or other contingencies attaching to any of the above amounts.

**4. INVESTMENT INCOME**

	31.3.22	31.3.21
	£	£
Deposit account interest	<u>44</u>	<u>115</u>

**5. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	31.3.22	31.3.21
		£	£
Cafe & bar sales	Cafe & Bar	154,448	58,631
Letting income	Community Letting	253,301	54,285
Performance art events	Performance Arts	56,132	38,362
Other income	Other Income	8,486	9,690
		<u>472,367</u>	<u>160,968</u>

**6. RAISING DONATIONS AND LEGACIES**

	31.3.22	31.3.21
	£	£
Advertising and marketing	<u>17,427</u>	<u>15,674</u>

# STANLEY ARTS

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

### 7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Cafe & Bar	156,304	92,243	248,547
Community Letting	-	184,498	184,498
Performance Arts	10,546	184,498	195,044
	<u>166,850</u>	<u>461,239</u>	<u>628,089</u>

### 8. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Cafe & Bar	90,272	595	1,376	92,243
Community Letting	180,556	1,190	2,752	184,498
Performance Arts	180,556	1,190	2,752	184,498
	<u>451,384</u>	<u>2,975</u>	<u>6,880</u>	<u>461,239</u>

Support costs, included in the above, are as follows:

#### Management

	Cafe & Bar £	Community Letting £	Performance Arts £	31.3.22 Total activities £	31.3.21 Total activities £
Wages	39,103	78,207	78,207	195,517	197,593
Social security	3,129	6,260	6,260	15,649	13,121
Pensions	664	1,327	1,327	3,318	2,839
Rent and premises expenses	16,766	33,535	33,535	83,836	75,757
Insurance	997	1,996	1,996	4,989	4,901
Telephone and internet	424	846	846	2,116	1,601
Office supplies	457	916	916	2,289	892
Sundries	4,379	8,758	8,758	21,895	56,700
Legal and professional services	18,637	37,276	37,276	93,189	13,966
Depreciation of tangible and heritage assets	5,716	11,435	11,435	28,586	29,827
	<u>90,272</u>	<u>180,556</u>	<u>180,556</u>	<u>451,384</u>	<u>397,197</u>

#### Finance

	Cafe & Bar £	Community Letting £	Performance Arts £	31.3.22 Total activities £	31.3.21 Total activities £
Bank charges	595	1,190	1,190	2,975	2,615
	<u>595</u>	<u>1,190</u>	<u>1,190</u>	<u>2,975</u>	<u>2,615</u>

# STANLEY ARTS

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

### 8. SUPPORT COSTS - continued Governance costs

	Cafe & Bar £	Community Letting £	Performance Arts £	31.3.22 Total activities £	31.3.21 Total activities £
Wages	800	1,600	1,600	4,000	3,640
Independent examiners' remuneration	576	1,152	1,152	2,880	3,954
	<u>1,376</u>	<u>2,752</u>	<u>2,752</u>	<u>6,880</u>	<u>7,594</u>

### 9. INDEPENDENT EXAMINERS' REMUNERATION

	31.3.22 £	31.3.21 £
Fees payable to the charity's independent examiners for the independent examination of the charity's financial statements	<u>2,880</u>	<u>2,400</u>

### 10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

### 11. STAFF COSTS

	31.3.22 £	31.3.21 £
Wages and salaries	235,440	201,233
Social security costs	15,649	13,121
Other pension costs	3,318	2,839
	<u>254,407</u>	<u>217,193</u>

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

31.3.22	31.3.21
<u>19</u>	<u>14</u>

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

# STANLEY ARTS

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

### 12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and grants	49,318	283,427	332,745
<b>Charitable activities</b>			
Cafe & Bar	58,631	-	58,631
Community Letting	54,285	-	54,285
Performance Arts	38,362	-	38,362
Other Income	9,690	-	9,690
Investment income	115	-	115
<b>Total</b>	<u>210,401</u>	<u>283,427</u>	<u>493,828</u>
<b>EXPENDITURE ON</b>			
<b>Raising funds</b>			
Raising donations and legacies	15,674	-	15,674
	<u>15,674</u>	<u>-</u>	<u>15,674</u>
<b>Charitable activities</b>			
Cafe & Bar	52,635	54,998	107,633
Community Letting	68,560	115,921	184,481
Performance Arts	61,397	106,453	167,850
<b>Total</b>	<u>198,266</u>	<u>277,372</u>	<u>475,638</u>
<b>NET INCOME</b>	12,135	6,055	18,190
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	17,120	7,500	24,620
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>29,255</u>	<u>13,555</u>	<u>42,810</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**13. TANGIBLE FIXED ASSETS**

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 April 2021	-	88,728	46,943	135,671
Additions	399,971	23,963	1,020	424,954
At 31 March 2022	399,971	112,691	47,963	560,625
<b>DEPRECIATION</b>				
At 1 April 2021	-	28,510	31,275	59,785
Charge for year	-	23,069	5,517	28,586
At 31 March 2022	-	51,579	36,792	88,371
<b>NET BOOK VALUE</b>				
At 31 March 2022	399,971	61,112	11,171	472,254
At 31 March 2021	-	60,218	15,668	75,886

**14. STOCKS**

	31.3.22 £	31.3.21 £
Stocks	5,908	2,709

**15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.22 £	31.3.21 £
Trade debtors	390,117	16,915
Other debtors	1,145	-
Prepayments and accrued income	38,483	16,829
	429,745	33,744

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.22 £	31.3.21 £
Bank loans and overdrafts (see note 18)	91,201	6
Other loans (see note 18)	10,000	10,000
Trade creditors	369,792	10,929
Social security and other taxes	5,311	154
Other creditors	19,776	4,085
Accrued expenses	66,070	45,822
Deferred income	466,626	56,434
	1,028,776	127,430

# **STANLEY ARTS**

## **NOTES TO THE FINANCIAL STATEMENTS - continued** **FOR THE YEAR ENDED 31 MARCH 2022**

### **17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.3.22	31.3.21
	£	£
Other loans (see note 18)	<u>80,000</u>	<u>80,000</u>

### **18. LOANS**

An analysis of the maturity of loans is given below:

	31.3.22	31.3.21
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	91,201	6
Other loans	<u>10,000</u>	<u>10,000</u>
	<u>101,201</u>	<u>10,006</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>10,000</u>	<u>80,000</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>30,000</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments:		
Other loans more 5yrs non-inst	<u>40,000</u>	<u>-</u>

### **19. MOVEMENT IN FUNDS**

	At 1.4.21	Net movement in funds	Transfers between funds	At 31.3.22
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	29,255	49,090	(6)	78,339
<b>Restricted funds</b>				
Arts Council	1,470	(1,470)	-	-
National Lottery Community Fund	(6)	-	6	-
Historic England - Covid Emergency	<u>12,091</u>	<u>(12,091)</u>	-	-
	<u>13,555</u>	<u>(13,561)</u>	<u>6</u>	-
<b>TOTAL FUNDS</b>	<u>42,810</u>	<u>35,529</u>	<u>-</u>	<u>78,339</u>

# STANLEY ARTS

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

### 19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	535,418	(486,328)	49,090
<b>Restricted funds</b>			
Arts Council	24,603	(26,073)	(1,470)
Historic England - Covid Emergency	-	(12,091)	(12,091)
Architectural Heritage Fund - Capital			
Development Grant	59,450	(59,450)	-
Leche Trust	2,000	(2,000)	-
Historic England - Cultural Consortium			
Project	16,591	(16,591)	-
Croydon Council	4,500	(4,500)	-
National Lottery Heritage Fund	38,483	(38,483)	-
	<u>145,627</u>	<u>(159,188)</u>	<u>(13,561)</u>
<b>TOTAL FUNDS</b>	<u>681,045</u>	<u>(645,516)</u>	<u>35,529</u>

### Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
<b>Unrestricted funds</b>			
General fund	17,120	12,135	29,255
<b>Restricted funds</b>			
Arts Council	-	1,470	1,470
National Lottery Community Fund	-	(6)	(6)
Historic England - Covid Emergency	-	12,091	12,091
Croydon Culture Relief Fund	7,500	(7,500)	-
	<u>7,500</u>	<u>6,055</u>	<u>13,555</u>
<b>TOTAL FUNDS</b>	<u>24,620</u>	<u>18,190</u>	<u>42,810</u>