

CHEQUER MEAD ARTS AND COMMUNITY TRUST

England & Wales · Charity number 1165519

Details

Other names CHEQUER MEAD

Status Registered

Legal form CIO

Registered 2016-02-10

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

Contact

Address De La Warr Road
East Grinstead
West Sussex
RH19 3BS

Phone 01342 325577

Email info@chequermead.org.uk

Website www.chequermead.org.uk

Activities

Objects: 1 TO ADVANCE PUBLIC EDUCATION BY FOSTERING AND PROMOTING FOR THE BENEFIT OF THE PUBLIC THE IMPROVEMENT AND DEVELOPMENT OF ARTISTIC KNOWLEDGE, UNDERSTANDING AND APPRECIATION OF THE ARTS AND CRAFTS AMONG THE INHABITANTS OF THE AREA OF BENEFIT (MEANING THE AREA OF EAST GRINSTEAD OR THE NEIGHBOURHOOD THEREOF); 2 TO PROVIDE AND ASSIST IN THE PROVISION OF COMMUNITY FACILITIES FOR RECREATION AND OTHER LEISURE TIME OCCUPATION OF THE INHABITANTS OF THE AREA OF BENEFIT IN THE INTERESTS OF SOCIAL WELFARE AND WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE IN PARTICULAR BUT NOT EXCLUSIVELY BY THE PROVISION AND MAINTENANCE OF AN ARTS AND COMMUNITY CENTRE; AND 3 TO FURTHER SUCH OTHER CHARITABLE PURPOSES FOR THE BENEFIT OF INHABITANTS OF THE AREA OF BENEFIT AS THE CHARITY TRUSTEES SEE FIT FROM TIME TO TIME.

Activities: Community Theatre; including local and in-house shows, dance and musicals. DVD and live event screenings. Art Exhibitions.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science, Economic/community Development/employment, Recreation
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- West Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£750,694	£729,283	£697,666	8
2024-03-31	£571,546	£662,374	£676,255	7
2023-03-31	£547,150	£561,343	£767,083	7
2022-03-31	£389,751	£416,018	-	-
2021-03-31	£266,818	£332,406	-	-

Trustees

Name	Role	Appointed
Helen Farren	Chair	2020-04-01
FRANK OSBORNE		2016-02-10
JULIE ANNE MOCKFORD AISTD MRAD		2016-02-10
Nicholas Gibson		2018-01-24
SIMON GREGORY COLE RSA		2016-02-10
Stephen James Barnett		2023-05-24
Tracy Denise Hughes		2023-05-24

CHEQUER MEAD ARTS AND COMMUNITY TRUST

England & Wales - Charity number 1165519

Accounts

Charity registration number 1165519 (England and Wales)

CHEQUER MEAD ARTS AND COMMUNITY TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

CHEQUER MEAD ARTS AND COMMUNITY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Cllr. F Osborne (ex-chairman)
Cllr. J A Mockford
S G Cole (independent)
Cllr. H Farren (Chairman)
N S Gibson (independent/Treasurer)
Cllr S Barnett
Cllr T Hughes

Charity number

1165519

Registered office

Chequer Mead Theatre
De La Warr Road
East Grinstead
RH19 3BS

Independent examiner

Darren Harding ACA FCCA DChA
Richard Place Dobson Services Limited
Ground Floor
1-7 Station Road
Crawley
West Sussex
RH10 1HT

CHEQUER MEAD ARTS AND COMMUNITY TRUST

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CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's CIO Foundation Model, the Charities Act 2011 and "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

The Charity's objects are:

- To advance public education by fostering and promoting for the benefit of the public the improvement and development of artistic knowledge and taste, understanding and appreciation of the arts and crafts among the inhabitants of the Area of Benefit.
- To provide and assist in the provision of community facilities for recreation and other leisure occupation of the inhabitants of the Area of Benefit in the interests of social welfare and with the object of improving their conditions of life in particular but not exclusively by the provision and maintenance of a Community Arts Centre.
- To further such other charitable purposes for the benefit of the inhabitants of the Area of Benefit as the Managing Trustees see fit from time to time.
- To contribute to the quality of life of the people of East Grinstead and the wider area by expanding their horizons through the provision of exciting, challenging and accessible professional and community arts events.

The main objectives each year are the promotion and fostering of artistic knowledge and the appreciation of the arts by the provision of facilities for the education and entertainment of the public in the fields of art, craft, music and drama.

The strategies employed to achieve the Charity's objects are to:

- Offer opportunities for a broad range of sections of the community to get involved in arts and performance activities exploring and developing their creative skills and potential;
- Provide facilities for amateur and professional artists to develop. Amateur groups are given discounted rates for hire of space and access to professional advice;
- Concentrate on involving young people in the arts to help encourage a culture in which different age ranges play a complementary parts;
- Celebrate the diversity of cultures in our society by programming presentations by, and with, artists of different cultural backgrounds, and presenting a broad range of arts works;
- Create and maintain partnerships with local organisations and partners to maintain dialogue and create new projects and opportunities.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Activities

The three major areas of activity are: concerts and stage performances; educational pro-grammes, and studio hires for community group rehearsals and meetings.

The artistic programme seeks to combine amateur community events together with professional events including classical plays, light opera, music, ballet, and dramatic modern performances to suit a range of public tastes with the emphasis on maintaining a popular programme, which underpins the viability of a Chequer Mead that reaches out to the community.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Events

The annual Christmas pantomime remains Chequer Mead's flagship event, from both a financial and a community perspective. Following the enormous success of the full in-house production, 'Snow White, the Trustees decided to continue with in-house pantomime productions, and the December 2024 pantomime, 'Beauty and the Beast' continued the trend of successful Christmas shows, improving revenue to previous years.

During the financial year, Chequer Mead Theatre in East Grinstead successfully hosted a diverse array of shows that captivated audiences and bolstered community engagement. Highlights included the family-friendly Big Easter Panto, which reflected a medley of classic pantomimes previously presented by Chequer Mead, and a range of well know musicians and comedians such as Paul Young, Marty Wilde, John Lydon, Lee Mead, Aled Jones, Nick Heyward, Martin Fry, Frankie Boyle, Ben Elton and Harry Hill. The theatre's regular Comedy Club nights provided much-needed laughter, while its jazz evenings have a strong regular following. The diverse range of west end singers, iconic tribute bands, psychic evenings and band and choir concerts provide entertainment for all interests across the community. Additionally, Chequer Mead featured football Legend evenings for West Ham, Arsenal and Crystal Palace which were hugely popular. These events contributed to Chequer Mead Theatre's strong reputation, reflected in its impressive 4.6 out of 5 rating on Google Trip Advisor, and 92% of Facebook reviews recommend us, indicating high levels of audience satisfaction and community support.

Despite commercial pressures to drive ticket sales from popular shows - our charitable objects dictate that we are required to provide a very wide and balanced programme of types and styles of events - to suit the public needs. Therefore, all programming is divided into eight different categories of: Music, Dance, Comedy, Musicals & Drama, Event Cinema, Family, Talks, Film.

Many of our Town and District primary and secondary schools continue to use Chequer Mead Theatre for their plays and productions, at discounted hire rates. We look forward to this continuing as a key demonstration of how we can support the local community. We are also looking to introduce more workshops to encourage children to participate in going forward.

We have hosted many amateur dramatic groups, and there are a host of amateur youth dance schools and groups that are now hiring the theatre. We are happy to see more of these groups choosing Chequer Mead as their venue and we want to strongly encourage more of these groups to choose Chequer Mead.

The Apron

The Apron Bar and Coffee House started trading in September 2019 as an in-house subsidiary trading company to provide an integrated and informal structure for the provision of hot beverages, catering and bar operations, for events and as a community provision at other times. Profits generated by the trading company are gifted to the Trust as a charitable donation. The Trustees are happy with the performance of the trading company, which finished the year 2024-2025 with a gross profit of £48,902 before the donation to the CIO (previous year a trading profit of £55,640). After allowance for taxes, a donation of £48,902 was made to the CIO by the trading subsidiary following the year end (previous year a donation of £55,640).

The Apron continues to be a valued asset to the community and goes from strength to strength, supporting the work of the CIO. We strongly encourage members of the community to come along and enjoy it for themselves, whether it be lunch in the garden courtyard, coffee and cake inside, or drinks from the bar in the evening.

Volunteers and Friends

Our very loyal band of sixty core volunteers continue to provide a marvellous service to Chequer Mead operating the box office, as theatre stewards, and selling ice cream. Bar activities are now held within the trading subsidiary, and use of volunteers there has ceased.

Chequer Mead Premium Club: for a modest yearly membership fee members enjoy a range of benefits such as ticket discounts and discounts at the Apron.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance

General Manager and staffing

The Trustees would like to extend their heartfelt thanks to all of the energetic current and former staff, for their efforts and dedication during the year. We have built a new and very capable group of staff within the CIO. Staffing for the trading company remains a continuing challenge, in common with the rest of the hospitality industry.

The General Manager and new staff members continue to prioritise the safety and well-being of our staff and customers, whilst looking forward to building a new and engaging event schedule. With staffing now in place, we can strengthen and restore our outreach to the community, as well as re-focusing on necessary improvements to the fabric of the building..

Capital Investment and building works

The Trust remains a tenant at Chequer Mead, with the freehold being held by East Grinstead Town Council. The Trustees' continuing objective is to improve or enhance the property where this either increases the attractiveness to community patrons or provides a clear cost benefit to the Trust, with the spin-off benefit that the community ultimately owns an asset of which the value is maintained and enhanced.

Marketing and branding

The Trustees' objective is to deliver more effective and innovative marketing in order to promote the brand further and to attract more agents, promoters, acts, hirers, community groups, amateur dramatic groups etc - as well as to drive this process into increased tickets sales and revenue.

Looking forward, social media, digital marketing and targeted emails have continued this year and will become ever more critical to the marketing of the Theatre, however the two main traditional marketing tools remain the website and the Venue Guide - of which two are now produced each year (Jan to June and July to December).

Financial review

During the year the Trust made a profit of £21,411 after the donation received from the trading company (previous year's loss £90,828). This shows that after a few years of continuing loss the trust has now achieved profitability again.

The building has unavoidable base-line costs, whether or not revenue is generated from events, from mandatory maintenance to insurance. The Trustees are grateful to East Grinstead Town Council for their continued support and annual grant. Chequer Mead normally receives no other grants that support core running costs and has to earn income to enable the theatre to be self-supporting in normal times.

The Trust will continue to make applications to grant funding bodies to improve our existing facilities. Project funding will also be pursued to continue our programme of arts development and youth projects which were proving a popular addition to our work.

We had successfully obtained 'bounce back loans' of £50,000 each for the Charity and the trading company during the pandemic, which after an interest-free period, continue to charge a very low rate of interest. We have been repaying approximately £850 per month, which is obviously reflected in the result for the period. The balance at the year-end for the Charity stands at £17,310 including interest (previous year £27,388).

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Going concern

It is the Trustees' view that it is prudent to ensure that there are sufficient reserves to provide financial flexibility over the course of each financial year. The policy sets a target of £150,000 in undesignated reserves representing approximately six months' expenditure in the absence of any events or hires (as in the pandemic). The target date for achieving the target was set as March 2024. This target has been reached with undesignated reserves being £153,366.

Whilst the Trustees budgeted for a return to profit for the year 2024-2025, we face (in common with the rest of the country) uncertainties around costs, particularly in respect of energy and logistics: we also face uncertainty in respect of the potential impact of inflation and interest rates on the discretionary spending of the theatre-going public and room hirers. We remain comfortable that we have adequate reserves to cover the charity against unforeseen and indeterminate rises in costs and/or reductions in revenue for the coming year and will continue to budget to be profitable for the year 2025-2026.

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate re-sources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Structure, governance and management

The Trust's affairs are overseen by the Board of Trustees. There is a mix of Council-appointed Trustees ("Nominated Trustees") and Independent Trustees, and the Trust's affairs are governed by its written Constitution which was revised and re-adopted during the year. Changes were to revise governance, but not the charity's objectives or operations. The Trustees meet monthly. Nominees appointed by East Grinstead Town Council are subject to the appointment process of this body and the guidelines on appointment to public office as they apply to local government nominees. Both Nominated and Independent Trustees are vetted and interviewed by the Board prior to appointment. All appointments are for fixed terms.

It is important to emphasise that the Chequer Mead Arts and Community Trust (a Charitable Incorporated Organisation) is a totally separate and independent legal and trading entity from East Grinstead Town Council: the Town Council is the landlord and freehold site and building owner, and appoints half of the Trustees. The Chairman, who carries a casting vote, must be a Nominated Trustee.

Chequer Mead Arts and Community Trust is legally bound principally by the Charities Act 2011 - and is required to report directly to the Charities Commission with an Annual Report including yearly accounts - as well as periodically on other administrative matters.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Cllr. F Osborne (ex-chairman)

Cllr. J A Mockford

S G Cole (independent)

Cllr. H Farren (Chairman)

N S Gibson (independent/Treasurer)

Cllr D Duly

Cllr S Barnett

Cllr T Hughes

(Resigned 12 December 2024)

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Recruitment and appointment of trustees

Board decisions are usually unanimous. In the event of a disagreement decisions are put to a vote of a simple majority, with dissenting views recorded in the Minutes. The Chairman has the casting vote.

The day-to-day running of the Trust is the responsibility of the General Manager, who is accountable to the Board of Trustees and reports to the Board at each monthly meeting on operational and financial issues. Each year the General Manager produces a detailed budget in conjunction with the Trustees, and reports on performance against budget each month.

Detailed policies are in place for discharging all mandatory responsibilities (e.g. Health and Safety, Diversity, Safeguarding etc).

Risk management

The Board and General Manager has a risk management strategy that comprises:

- Identifying and recording the risks that the Charity may face in a detailed risk register.
- The establishment of policies, systems and procedures to mitigate those risks.
- The implementation of procedures designed to minimise any potential impact of the Charity should those risks materialise.
- Particular attention has been given by the Trustees to non-financial risks arising from health and safety and artistic programmes.
- A key element in the management of the financial risk is the setting of a reserves policy and its regular review by all Trustees.
- The risk register is frequently reviewed

Conclusion

The year to 31st March 2025 was characterised by both challenges and achievements. With the bonus of a profit of £21,411 the Trustees and the larger community continue to see the benefits of the decisions made in 2019 and 2021 to bring the catering operation and our pantomime production in-house, while maintaining high-quality events and improving our service standards.

The Trustees extend their heartfelt thanks to the General Manager and all of our staff for their unwavering efforts to improve the Chequer Mead experience and further engage with the community. The feedback we receive clearly indicates that the community overwhelmingly supports and values Chequer Mead as an integral and vital part of the town.

Looking ahead to the 2025-2026 financial year, we are optimistic about our prospects. We are implementing strategic initiatives aimed at increasing revenue and reducing costs, and we are confident that these efforts will lead to a more stable financial position. The Trustees are dedicated to ensuring that Chequer Mead continues to thrive and serve as a cultural hub for East Grinstead.



Cllr. H Farren (Chairman)

Trustee

Date: 19TH NOVEMBER 2025

CHEQUER MEAD ARTS AND COMMUNITY TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CHEQUER MEAD ARTS AND COMMUNITY TRUST

I report to the trustees on my examination of the financial statements of Chequer Mead Arts and Community Trust (the charity) for the year ended 31 March 2025.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn. I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the Charities Act 2011.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination.

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



Darren Harding ACA FCCA DChA
Richard Place Dobson Services Limited
Ground Floor
1-7 Station Road
Crawley
West Sussex
RH10 1HT
Date 21/11/2025

CHEQUER MEAD ARTS AND COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

Current financial year

		Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
	Notes					
<u>Income and endowments from:</u>						
Donations and grants	3	71,809	-	29,349	101,158	132,660
<u>Charitable activities</u>						
In House Productions	4	246,080	-	-	246,080	164,514
Theatre operations	4	95,861	-	-	95,861	61,415
Studio Hire	4	90,470	-	-	90,470	65,466
Tenant income	4	61,882	-	-	61,882	76,595
Film & Events Cinema	4	4,634	-	-	4,634	4,103
Investments	5	8,049	-	-	8,049	7,645
Other income	6	142,560	-	-	142,560	59,148
Total income		<u>721,345</u>	<u>-</u>	<u>29,349</u>	<u>750,694</u>	<u>571,546</u>
<u>Expenditure on:</u>						
Raising funds						
<u>Charitable activities</u>						
Theatre operations	7	709,289	14,781	5,213	729,283	662,374
Total charitable expenditure		<u>709,289</u>	<u>14,781</u>	<u>5,213</u>	<u>729,283</u>	<u>662,374</u>
Net incoming/(outgoing) resources before transfers		12,056	(14,781)	24,136	21,411	(90,828)
Gross transfers between funds		30,202	-	(30,202)	-	-
Net incoming/(outgoing) resources		42,258	(14,781)	(6,066)	21,411	(90,828)
Fund balances at 1 April 2024		116,321	436,880	123,054	676,255	767,083
Fund balances at 31 March 2025		<u>158,579</u>	<u>422,099</u>	<u>116,988</u>	<u>697,666</u>	<u>676,255</u>

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

Prior financial year

		Unrestricted funds general 2024 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes				
<u>Income and endowments from:</u>					
Donations and grants	3	132,660	-	-	132,660
<u>Charitable activities</u>					
In House Productions	4	164,514	-	-	164,514
Theatre operations	4	61,415	-	-	61,415
Studio Hire	4	65,466	-	-	65,466
Tenant income	4	76,595	-	-	76,595
Film & Events Cinema	4	4,103	-	-	4,103
Investments	5	7,645	-	-	7,645
Other income	6	59,148	-	-	59,148
Total income		571,546	-	-	571,546
<u>Expenditure on:</u>					
<u>Raising funds</u>					
<u>Charitable activities</u>					
Theatre operations	7	640,929	21,445	-	662,374
Total charitable expenditure		640,929	21,445	-	662,374
Net incoming/(outgoing) resources before transfers		(69,383)	(21,445)	-	(90,828)
Gross transfers between funds		48,101	(48,101)	-	-
Net incoming/(outgoing) resources		(21,282)	(69,546)	-	(90,828)
Fund balances at 1 April 2023		137,603	506,426	123,054	767,083
Fund balances at 31 March 2024		116,321	436,880	123,054	676,255

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

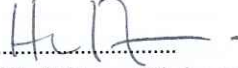
CHEQUER MEAD ARTS AND COMMUNITY TRUST

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	13		503,252		482,962
Investments	14		10,000		10,000
			<u>513,252</u>		<u>492,962</u>
Current assets					
Debtors	15	107,139		76,275	
Cash at bank and in hand		401,148		422,018	
		<u>508,287</u>		<u>498,293</u>	
Creditors: amounts falling due within one year	17	(316,895)		(297,689)	
Net current assets			<u>191,392</u>		<u>200,604</u>
Total assets less current liabilities			<u>704,644</u>		<u>693,566</u>
Creditors: amounts falling due after more than one year	18		(6,978)		(17,311)
Net assets			<u><u>697,666</u></u>		<u><u>676,255</u></u>
The funds of the charity					
Restricted income funds	21		116,988		123,054
Unrestricted funds - general	23		158,579		116,321
Unrestricted funds - designated	22		422,099		436,880
			<u>697,666</u>		<u>676,255</u>

The financial statements were approved by the trustees on 19TH November 2025


 Cllr. H Farren (Chairman)
 Trustee

CHEQUER MEAD ARTS AND COMMUNITY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	28		30,555		91,033
Investing activities					
Purchase of tangible fixed assets		(49,396)		-	
Investment income received		8,049		7,645	
Net cash (used in)/generated from investing activities			(41,347)		7,645
Financing activities					
Repayment of borrowings		(10,078)		(9,819)	
Net cash used in financing activities			(10,078)		(9,819)
Net (decrease)/increase in cash and cash equivalents			(20,870)		88,859
Cash and cash equivalents at beginning of year			422,018		333,159
Cash and cash equivalents at end of year			401,148		422,018

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Chequer Mead Arts and Community Trust is a registered Charitable Incorporated Organisation (CIO).

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's CIO Foundation Model, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Preparation of Consolidated Financial Statements

The financial statements contain information about Chequer Mead Arts and Community Trust as an individual charity and do not contain consolidated financial information as the parent of a group. The Charity is exempt from the requirement to prepare consolidated accounts on the basis it qualifies as a small group.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated Funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Grant income provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when admission fees or performance related grants are received in advance of the performance or event to which they relate.

Investment income is recognised on a receivables basis.

Activities in furtherance of charitable objects includes theatre operations, studio hire, in-house productions and tenant income. Charitable income is recognised on the date of the performance or as the room is hired.

Donations and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

Other Income

Other income consists of Spektrix commissions, income from marketing and postage and income from the premium club. It is recognised in the accounts when the charity has earned entitlement to the income, it is probable the income will be received and the amount can be reliably measured.

Legacy Income

For Legacies entitlement is taken at earlier of:

- the date on which the charity is aware that probate has been granted.
- the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made.
- when distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be reliably measured and the charity has been notified of the executor's intention to make distribution. Where legacies have been notified to the charity, or the charity is aware of granting probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Liabilities are recognised as expenditure as soon as there is 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.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include governance costs.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £1,000 are capitalised at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	Over the term of the lease
Fixtures, fittings & equipment	10-33% p.a. straight line
Computers	10-33% p.a. straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discount offered.

Basic financial liabilities

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors and provisions are normally recognised at their settlement value after allowing for any discounts offered.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is not subject to corporation tax or any other taxes on income or gains arising from its charitable objectives.

1.11 Employee benefits

The costs of short term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

Post 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.

1.13 Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.14 Operating Leases

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Donated assets

Goods donated for on-going use by the charity in carrying out its activities are recognised as tangible fixed assets with the corresponding gain recognised as income from donations when goods are above the charities capitalisation limit of £1,000. Donated goods are measured at their fair value.

Volunteer time

The charity makes use of volunteers in carrying out the charitable activities. It is impractical to value the costs of the volunteer involved. No amount for volunteer time are included within the accounts.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	1,809	29,349	31,158	62,660	-	62,660
Grants	70,000	-	70,000	70,000	-	70,000
	<u>71,809</u>	<u>29,349</u>	<u>101,158</u>	<u>132,660</u>	<u>-</u>	<u>132,660</u>
Grants						
Other	70,000	-	70,000	70,000	-	70,000
	<u>70,000</u>	<u>-</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>	<u>70,000</u>

4 Charitable activities

	In House Productions 2025 £	Theatre operations 2025 £	Studio Hire 2025 £	Tenant income 2025 £	Film & Events Cinema 2025 £	Total 2025 £	Total 2024 £
Income from charitable activities	246,080	95,861	90,470	61,882	4,634	498,927	372,093

For the year ended 31 March 2024

	In House Productions £	Theatre operations £	Studio Hire £	Tenant income £	Film & Events Cinema £	Total 2024 £
Income from charitable activities	164,514	61,415	65,466	76,595	4,103	372,093
Analysis by fund						
Unrestricted funds - general	164,514	61,415	65,466	76,595	4,103	372,093

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest income	8,049	7,645

6 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Booking protect income	7,375	7,295
Postage	53,274	5,648
Premium club	81,911	46,205
	142,560	59,148

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

7 Expenditure on charitable activities

	Theatre Operations 2025 £	Theatre Operations 2024 £
Direct costs		
Staff costs	319,871	261,151
Depreciation and impairment	29,106	33,620
Production & Events management	32,690	15,765
Advertising	157,402	138,563
IT, Repairs & Maintenance	43,554	35,585
Staff Training	306	-
Daily running costs	132,757	167,528
Other costs	1,542	-
	<u>717,228</u>	<u>652,212</u>
Share of support and governance costs (see note 8)		
Governance	12,055	10,162
	<u>729,283</u>	<u>662,374</u>
Analysis by fund		
Unrestricted funds - general	709,289	640,929
Unrestricted funds - designated	14,781	21,445
Restricted funds	5,213	-
	<u>729,283</u>	<u>662,374</u>

8 Support costs

	Support costs £	Governance costs £	2025 £	2024 £
Independent Examiners fee	-	3,763	3,763	2,438
Legal and professional	-	8,292	8,292	7,724
	<u>-</u>	<u>12,055</u>	<u>12,055</u>	<u>10,162</u>
Analysed between Charitable activities	-	12,055	12,055	10,162
	<u>-</u>	<u>12,055</u>	<u>12,055</u>	<u>10,162</u>

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

9 Net movement in funds	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	3,763	2,438
Depreciation of owned tangible fixed assets	29,106	33,620
	<u> </u>	<u> </u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year and none of them were reimbursed any expenses (2024- no expenses were reimbursed).

11 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Theatre management	1	1
Technical staff	2	2
Administration	5	4
	<u> </u>	<u> </u>
Total	8	7
	<u> </u>	<u> </u>

Employment costs	2025	2024
	£	£
Wages and salaries	289,422	238,079
Social security costs	25,947	16,703
Other pension costs	4,502	4,985
	<u> </u>	<u> </u>
	319,871	259,767
	<u> </u>	<u> </u>

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025	2024
	£	£
Aggregate compensation	35,228	54,463
	<u> </u>	<u> </u>

The charity has a close working relationship with East Grinstead Town Council. This body nominates the majority of trustees (see the trustees report) and provides funding to enable the charity to carry out its charitable activities. Grant income received in the year totalled £70,000 (2024: £70,000).

A subsidiary trading company Chequer Mead Trading Limited was incorporated on 15 May 2019 and began trading in September 2019. A donation of £55,640 (2024: £38,247) was made from the trading subsidiary to the charity during the year. At 31 March 2025 £48,902 was owed to the charity from the trading subsidiary.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Computers	Total
	£	£	£	£
Cost				
At 1 April 2024	486,210	218,223	16,078	720,511
Additions	47,789	-	1,607	49,396
	<u>533,999</u>	<u>218,223</u>	<u>17,685</u>	<u>769,907</u>
At 31 March 2025				
Depreciation and impairment				
At 1 April 2024	86,455	136,647	14,447	237,549
Depreciation charged in the year	14,781	13,612	713	29,106
	<u>101,236</u>	<u>150,259</u>	<u>15,160</u>	<u>266,655</u>
At 31 March 2025				
Carrying amount				
At 31 March 2025	<u>432,763</u>	<u>67,964</u>	<u>2,525</u>	<u>503,252</u>
At 31 March 2024	<u>399,755</u>	<u>81,576</u>	<u>1,631</u>	<u>482,962</u>

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

14 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2024 & 31 March 2025		10,000
Carrying amount		
At 31 March 2025		10,000
At 31 March 2024		10,000

	Notes	2025 £	2024 £
Other investments comprise:			
Investments in subsidiaries	27	10,000	10,000

15 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	1,060	4,082
Amounts owed by subsidiary undertakings	65,718	48,179
Other debtors	18,180	-
Prepayments and accrued income	22,181	24,014
	107,139	76,275

16 Loans and overdrafts

	2025 £	2024 £
Other loans	17,310	27,388
Payable within one year	10,332	10,077
Payable after one year	6,978	17,311

The bounce back loan with Natwest bank was taken out during the Covid-19 pandemic. The amount borrowed was the max available of £50,000 at a fixed interest rate of 2.5%.

The loan which is repayable fully within 5 years had no interest charged in the first year and thereafter charged at the applicable rate above.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

17 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Borrowings		10,332	10,077
Other taxation and social security		16,841	19,419
Deferred income	19	27,733	33,386
Trade creditors		95,826	60,469
Other creditors		21,691	7,352
Accruals		144,472	166,986
		<u>316,895</u>	<u>297,689</u>

18 Creditors: amounts falling due after more than one year

	2025 £	2024 £
Borrowings	<u>6,978</u>	<u>17,311</u>

19 Deferred income

	2025 £	2024 £
Other deferred income	<u>27,733</u>	<u>33,386</u>

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	<u>27,733</u>	<u>33,386</u>
Movements in the year:		
Deferred income at 1 April 2024	33,386	-
Released from previous periods	(33,386)	-
Resources deferred in the year	<u>27,733</u>	<u>33,386</u>
Deferred income at 31 March 2025	<u>27,733</u>	<u>33,386</u>

20 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>4,502</u>	<u>4,985</u>

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

20 Retirement benefit schemes

(Continued)

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
EGTC Building Project	123,054	-	(5,213)	(853)	116,988
Lighting fund	-	29,349	-	(29,349)	-
	<u>123,054</u>	<u>29,349</u>	<u>(5,213)</u>	<u>(30,202)</u>	<u>116,988</u>
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
EGTC Building project	<u>123,054</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>123,054</u>

EGTC Building Project fund- This fund represents monies granted to the charity to carry out redevelopment work on the theatre.

Lighting fund - This fund represents monies granted to the charity to replace outdated tungsten theatre lighting with modern, energy-efficient LED lighting at Chequer Mead.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

22 Unrestricted funds - designated

These are unrestricted funds which are material to the charity's activities.

	At 1 April 2024	Resources expended	Transfers	At 31 March 2025
	£	£	£	£
Donated Equipment	37,154	(7,431)	-	29,723
Leasehold Improvements	399,726	(7,350)	-	392,376
	<u>436,880</u>	<u>(14,781)</u>	<u>-</u>	<u>422,099</u>
Previous year:	At 1 April 2023	Resources expended	Transfers	At 31 March 2024
	£	£	£	£
Donated Equipment	52,015	(7,430)	(7,431)	37,154
Leasehold Improvements	413,613	(13,858)	(29)	399,726
Boiler	20,000	-	(20,000)	-
Theatre Seats	20,798	(157)	(20,641)	-
	<u>506,426</u>	<u>(21,445)</u>	<u>(48,101)</u>	<u>436,880</u>

Theatre Seats Fund, Room Chairs Fund and Screen Projector fund all represents assets purchased with designated fund income. The balances are in line with the Net Book Value of these assets.

Leasehold improvements fund represents amounts that have been spend on leasehold improvements out of the EGTC building project grant including the annual depreciation charge.

The boiler fund represents funds set aside by the Trustees to upkeep the boilers on a regular basis.

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
General funds	116,321	721,345	(709,289)	30,202	158,579
	<u>116,321</u>	<u>721,345</u>	<u>(709,289)</u>	<u>30,202</u>	<u>158,579</u>
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Unrestricted Funds	137,603	571,546	(640,929)	48,101	116,321
	<u>137,603</u>	<u>571,546</u>	<u>(640,929)</u>	<u>48,101</u>	<u>116,321</u>

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

24 Analysis of net assets between funds

	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:				
Tangible assets	81,153	422,099	-	503,252
Investments	10,000	-	-	10,000
Current assets/(liabilities)	69,191	-	122,201	191,392
Long term liabilities	(6,978)	-	-	(6,978)
	<u>153,366</u>	<u>422,099</u>	<u>122,201</u>	<u>697,666</u>
<i>Per balance sheet</i>	158,579	422,099	116,988	697,666
<i>Balance to allocate</i>	5,213	-	(5,213)	-

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:				
Tangible assets	46,082	436,880	-	482,962
Investments	10,000	-	-	10,000
Current assets/(liabilities)	77,550	-	123,054	200,604
Long term liabilities	(17,311)	-	-	(17,311)
	<u>116,321</u>	<u>436,880</u>	<u>123,054</u>	<u>676,255</u>

25 Financial commitments, guarantees and contingent liabilities

Contingent Liability

The S106 grants received from Mid Sussex District Council is potentially repayable if within 14 years the theatre facility ceases to be used for leisure activities or if any other conditions of the grant are not complied with.

26 Related party transactions

The charity has a close working relationship with East Grinstead Town Council. This body nominates the majority of trustees (see the trustees report) and provides funding to enable the charity to carry out its charitable activities. Grant income received in the year totalled £70,000 (2024: £70,000).

A subsidiary trading company Chequer Mead Trading Limited was incorporated on 15 May 2019 and began trading in September 2019. A donation of £48,902 (2024: £55,183) was made from the trading subsidiary to the charity during the year. At 31 March 2025 £65,718 (2024: £48,179) was owed to the charity from the trading subsidiary.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

27 Subsidiaries

These financial statements are separate charity financial statements for Chequer Mead Arts and Community Trust

Details of the charity's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Chequer Mead Trading Limited	De La Warr Road, East Grinstead, West Sussex, RH19 3BS	Hot beverages, food & catering and bar service to benefit the image of the Chequer Mead Theatre brand.	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Chequer Mead Trading Limited	-	10,000

28 Cash generated from operations

	2025 £	2024 £
Surplus/(deficit) for the year	21,411	(90,828)
Adjustments for:		
Investment income recognised in statement of financial activities	(8,049)	(7,645)
Depreciation and impairment of tangible fixed assets	29,106	33,620
Movements in working capital:		
(Increase) in debtors	(30,864)	(3,201)
Increase in creditors	24,604	125,701
(Decrease)/increase in deferred income	(5,653)	33,386
Cash generated from operations	<u>30,555</u>	<u>91,033</u>

29 Analysis of changes in net funds

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	422,018	(20,870)	401,148
Loans falling due within one year	(10,077)	(255)	(10,332)
Loans falling due after more than one year	(17,311)	10,333	(6,978)
	<u>394,630</u>	<u>(10,792)</u>	<u>383,838</u>

CHEQUER MEAD ARTS AND COMMUNITY TRUST

England & Wales - Charity number 1165519

Accounts

Charity registration number 1165519

CHEQUER MEAD ARTS AND COMMUNITY TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

CHEQUER MEAD ARTS AND COMMUNITY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Cllr. F Osborne (ex-chairman)	
	Cllr. J A Mockford	
	S G Cole (independent)	
	Cllr. H Farren (Chairman)	
	N S Gibson (independent/Treasurer)	
	Cllr D Duly	
	Cllr S Barnett	(Appointed 24 May 2023)
	Cllr T Hughes	(Appointed 24 May 2023)
Charity number	1165519	
Registered office	Chequer Mead Theatre	
	De La Warr Road	
	East Grinstead	
	RH19 3BS	
Independent examiner	Darren Harding ACA FCCA DChA	
	Richard Place Dobson Services Limited	
	1-7 Station Road	
	Crawley	
	West Sussex	
	RH10 1HT	

CHEQUER MEAD ARTS AND COMMUNITY TRUST

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CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's CIO Foundation Model, the Charities Act 2011 and "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

The Charity's objects are:

- To advance public education by fostering and promoting for the benefit of the public the improvement and development of artistic knowledge and taste, understanding and appreciation of the arts and crafts among the inhabitants of the Area of Benefit.
- To provide and assist in the provision of community facilities for recreation and other leisure occupation of the inhabitants of the Area of Benefit in the interests of social welfare and with the object of improving their conditions of life in particular but not exclusively by the provision and maintenance of a Community Arts Centre.
- To further such other charitable purposes for the benefit of the inhabitants of the Area of Benefit as the Managing Trustees see fit from time to time.
- To contribute to the quality of life of the people of East Grinstead and the wider area by expanding their horizons through the provision of exciting, challenging and accessible professional and community arts events.

The main objectives each year are the promotion and fostering of artistic knowledge and the appreciation of the arts by the provision of facilities for the education and entertainment of the public in the fields of art, craft, music and drama.

The strategies employed to achieve the Charity's objects are to:

- Offer opportunities for a broad range of sections of the community to get involved in arts and performance activities exploring and developing their creative skills and potential;
- Provide facilities for amateur and professional artists to develop. Amateur groups are given discounted rates for hire of space and access to professional advice;
- Concentrate on involving young people in the arts to help encourage a culture in which different age ranges play a complementary parts;
- Celebrate the diversity of cultures in our society by programming presentations by, and with, artists of different cultural backgrounds, and presenting a broad range of arts works;
- Create and maintain partnerships with local organisations and partners to maintain dialogue and create new projects and opportunities.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Activities

In normal circumstances the three major areas of activity are: concerts and stage performances; educational programmes, and studio hires for community group rehearsals and meetings.

The artistic programme seeks to combine amateur community events together with professional events including classical plays, light opera, music, ballet, and dramatic modern performances to suit a range of public tastes with the emphasis on maintaining a popular programme, which underpins the viability of a Chequer Mead that reaches out to the community.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

The annual Christmas pantomime remains Chequer Mead's flagship event, from both a financial and a community perspective. Following the enormous success of the full in-house production, 'Alladin', the Trustees decided to continue with in-house pantomime productions, and the December 2023 pantomime, 'Snow White' continued the trend of successful Christmas shows, materially improving revenue to previous years.

During the financial year, Chequer Mead Theatre in East Grinstead successfully hosted a diverse array of shows that captivated audiences and bolstered community engagement. Highlights included the family-friendly Big Easter Panto, which brought classic tales like Cinderella and Aladdin to life, and Club 80's – The Ultimate 80s Party, which delighted music enthusiasts with nostalgic hits. The theatre's regular Comedy Club nights provided much-needed laughter, while the award-winning A Vision of Elvis tribute show paid homage to the King of Rock 'n' Roll. Additionally, the Crystal Palace Legends event featured football icons Mark Bright and Nigel Martyn, and the ABBA Reunion show starred the original 'Frida' from the London West End cast. These events contributed to Chequer Mead Theatre's strong reputation, reflected in its impressive 4.6 out of 5 rating on Facebook, indicating high levels of audience satisfaction and community support.

The Apron Bar and Coffee House started trading in September 2019 as an in-house subsidiary trading company to provide an integrated and informal structure for the provision of hot beverages, catering and bar operations, for events and as a community provision at other times. Profits generated by the trading company are gifted to the Trust as a charitable donation. The Trustees are delighted with the performance of the trading company, which finished the year 2023-2024 with a gross profit of £56,460 before the donation to the CIO (previous year a trading profit of £42,052). After allowance for taxes, a donation of £55,640 was made to the CIO by the trading subsidiary following the year end (previous year a donation of £40,990).

The Apron continues to be a valued asset to the community and goes from strength to strength, supporting the work of the CIO.

Despite commercial pressures to drive ticket sales from popular shows - our charitable objects dictate that we are re-quired to provide a very wide and balanced programme of types and styles of events - to suit the public needs. There-fore all programming is divided into eight different categories of: Music, Dance, Comedy, Musicals & Drama, Event Cinema, Family, Talks, Film.

Many of our Town and District primary and secondary schools continue to use Chequer Mead Theatre for their plays and productions, at discounted hire rates. We look forward to their return.

We have hosted many amateur dramatic groups, and there are a host of amateur youth dance schools and groups that were hiring the theatre - quite often all day on a Sunday.

The Trustees have observed different patterns of ticket sales following the return from the pandemic. Theatre-goers are now, in general, purchasing tickets for shows shortly before the event takes place: pre-pandemic we would see a much higher proportion of advance ticket sales. The new pattern makes it harder to gauge the success of an event until it takes place, although ticket sales generally are close to pre-pandemic levels.

As anticipated the numbers of attendees using e-tickets for entry grew within the year, this is expected to climb further in 2025.

Volunteers and Friends

The very loyal band of fifty core volunteers continue to provide a marvellous service to Chequer Mead operating the box office, as theatre stewards, and selling ice cream. Bar activities are now held within the trading subsidiary, and use of volunteers there has ceased.

Chequer Mead Premium Club was slowly growing pre-pandemic: for a modest yearly membership fee members enjoy a range of benefits such as ticket discounts and discounts at the Apron.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

General Manager and staffing

The Trustees would like to extend their heartfelt thanks to the General Manager and all of the energetic current and former staff, for their efforts and dedication during the year. We have a stable and very capable group of staff within the CIO. Staffing for the trading company remains a continuing challenge, in common with the rest of the hospitality industry.

The General Manager and long-standing and new staff members continue to prioritise the safety and well-being of our staff and customers, whilst looking forward to building a new and engaging event schedule. With staffing now in place we can strengthen and restore our outreach to the community, as well as re-focusing on necessary improvements to the fabric of the building. During this challenging period the Trustees have continued to take a particular interest in the mental well-being of our staff, and continue to offer support.

Capital Investment and building works

The Trust remains a tenant at Chequer Mead, with the freehold being held by East Grinstead Town Council. The Trustees' continuing objective is to improve or enhance the property where this either increases the attractiveness to community patrons (as with the upgraded toilets) or provides a clear cost benefit to the Trust (the previously installed solar panels), with the spin-off benefit that the community ultimately owns an asset of which the value is maintained and enhanced.

Marketing and branding

The Trustees' objective is to deliver more effective and innovative marketing in order to promote the brand further and to attract more agents, promoters, acts, hirers, community groups, amateur dramatic groups etc - as well as to drive this process into increased tickets sales and revenue.

Looking forward, social media, digital marketing and targeted emails have continued this year and will intensify - however the two main traditional marketing tools remain the website and the Venue Guide - of which three had been produced each year (Jan to April/ May to August/ September to December). Post-year end, in order to reduce costs, the Trustees decided to reduce the frequency to twice each year and reduce the size, without sacrificing quality.

Financial review

During the year the Trust made a loss of £90,827 after the donation received from the trading company (previous year's loss £55,183, before the post-year end donation of £40,990 from the trading company). This continues the trend as seen in the previous year's accounts towards becoming profitable again.

The building has unavoidable base-line costs, whether or not revenue is generated from events, from mandatory maintenance to insurance. The Trustees are grateful to East Grinstead Town Council for their continued support and annual grant. Chequer Mead normally receives no other grants that support core running costs and has to earn income to enable the theatre to be self-supporting in normal times.

The Trust will continue to make applications to grant funding bodies to improve our existing facilities. Project funding will also be pursued to continue our programme of arts development and youth projects which were proving a popular addition to our work.

We had successfully obtained 'bounce back loans' of £50,000 each for the Charity and the trading company during the pandemic, which after an interest-free period, continue to charge a very low rate of interest. We have been repaying approximately £850 per month, which is obviously reflected in the result for the period. The balance at the year-end for the Charity stands at £27,388 including interest (previous year £37,207).

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Going concern

It is the Trustees' view that it is prudent to ensure that there are sufficient reserves to provide financial flexibility over the course of each financial year. The policy sets a target of £150,000 in undesignated reserves (previously £250,000) representing approximately six months' expenditure in the absence of any events or hires (as in the pandemic). The target date for achieving the target was set as March 2024. Whilst this target has not been met, the trustees remain committed to reaching their goal in 2025, with continuing efforts in fundraising and event income.

Whilst the Trustees are budgeting for a return to profit for the year 2024-2025, we face (in common with the rest of the country) uncertainties around costs, particularly in respect of energy and logistics: we also face uncertainty in respect of the potential impact of inflation and interest rates on the discretionary spending of the theatre-going public and room hirers. We remain comfortable that we have adequate reserves to cover the charity against unforeseen and indeterminate rises in costs and/or reductions in revenue for the coming year.

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate re-sources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Structure, governance and management

The Trust's affairs are overseen by the Board of Trustees. There is a mix of Council-appointed Trustees ("Nominated Trustees") and Independent Trustees, and the Trust's affairs are governed by its written Constitution which was revised and re-adopted during the year. Changes were to revise governance, but not the charity's objectives or operations. The Trustees meet monthly. Nominees appointed by East Grinstead Town Council are subject to the appointment process of this body and the guidelines on appointment to public office as they apply to local government nominees. Both Nominated and Independent Trustees are vetted and interviewed by the Board prior to appointment. All appointments are for fixed terms.

It is important to emphasise that the Chequer Mead Arts and Community Trust (a Charitable Incorporated Organisation) is a totally separate and independent legal and trading entity from East Grinstead Town Council: the Town Council is the landlord and freehold site and building owner, and appoints half of the Trustees. The Chairman, who carries a casting vote, must be a Nominated Trustee.

Chequer Mead Arts and Community Trust is legally bound principally by the Charities Act 2011 - and is required to report directly to the Charities Commission with an Annual Report including yearly accounts - as well as periodically on other administrative matters.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Cllr. F Osborne (ex-chairman)

Cllr. J A Mockford

S G Cole (independent)

Cllr. H Farren (Chairman)

N S Gibson (independent/Treasurer)

Cllr D Duly

Cllr S Barnett

Cllr T Hughes

(Appointed 24 May 2023)

(Appointed 24 May 2023)

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Recruitment and appointment of trustees

Board decisions are usually unanimous. In the event of a disagreement decisions are put to a vote of a simple majority, with dissenting views recorded in the Minutes. The Chairman has the casting vote.

The day-to-day running of the Trust is the responsibility of the General Manager, who is accountable to the Board of Trustees and reports to the Board at each monthly meeting on operational and financial issues. Each year the General Manager produces a detailed budget in conjunction with the Trustees, and reports on performance against budget each month.

Detailed policies are in place for discharging all mandatory responsibilities (e.g. Health and Safety, Diversity, Safeguarding etc).

Risk management

The Board and General Manager has a risk management strategy that comprises:

- Identifying and recording the risks that the Charity may face in a detailed risk register.
- The establishment of policies, systems and procedures to mitigate those risks.
- The implementation of procedures designed to minimise any potential impact of the Charity should those risks materialise.
- Particular attention has been given by the Trustees to non-financial risks arising from health and safety and artistic programmes.
- A key element in the management of the financial risk is the setting of a reserves policy and its regular review by all Trustees.
- The risk register is frequently reviewed

Conclusion

The year to 31st March 2024 was characterised by both challenges and achievements. Despite a financial loss of £90,827, the Trustees and the larger community continue to see the benefits of the decisions made in 2019 and 2021 to bring the catering operation and our pantomime production in-house, while maintaining high-quality events and improving our service standards. We remain committed to enhancing both the community experience and our revenues, with the continued tenancy of the Barclays Bank advisory hub within Chequer Mead being a prime example.

The Trustees extend their heartfelt thanks to the General Manager and all of our staff for their unwavering efforts to improve the Chequer Mead experience and further engage with the community. The feedback we receive clearly indicates that the community overwhelmingly supports and values Chequer Mead as an integral and vital part of the town.

Looking ahead to the 2024-2025 financial year, we are optimistic about our prospects. We are implementing strategic initiatives aimed at increasing revenue and reducing costs, and we are confident that these efforts will lead to a more stable financial position. The Trustees are dedicated to ensuring that Chequer Mead continues to thrive and serve as a cultural hub for East Grinstead.

.....
Cllr. H Farren (Chairman)

Trustee

Date:

CHEQUER MEAD ARTS AND COMMUNITY TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CHEQUER MEAD ARTS AND COMMUNITY TRUST

I report to the trustees on my examination of the financial statements of Chequer Mead Arts and Community Trust (the charity) for the year ended 31 March 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Darren Harding ACA FCCA DChA

Richard Place Dobson Services Limited
1-7 Station Road
Crawley
West Sussex
RH10 1HT

Dated:

CHEQUER MEAD ARTS AND COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

Current financial year

		Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
	Notes					
<u>Income and endowments from:</u>						
Donations and grants	3	132,660	-	-	132,660	123,004
<u>Charitable activities</u>						
In House Productions	4	164,514	-	-	164,514	148,672
Theatre operations	4	61,415	-	-	61,415	52,821
Studio Hire	4	65,466	-	-	65,466	103,895
Tenant income	4	76,595	-	-	76,595	59,805
Film & Events Cinema	4	4,103	-	-	4,103	-
Investments	5	7,645	-	-	7,645	2,350
Other income	6	59,148	-	-	59,148	56,603
Total income		571,546	-	-	571,546	547,150
<u>Expenditure on:</u>						
<u>Raising funds</u>						
<u>Charitable activities</u>						
Theatre operations	7	640,929	21,445	-	662,374	561,343
Total charitable expenditure		640,929	21,445	-	662,374	561,343
Net outgoing resources before transfers		(69,383)	(21,445)	-	(90,828)	(14,193)
Gross transfers between funds		48,101	(48,101)	-	-	-
Net expenditure for the year/ Net outgoing resources		(21,282)	(69,546)	-	(90,828)	(14,193)
Fund balances at 1 April 2023		137,603	506,426	123,054	767,083	781,276
Fund balances at 31 March 2024		116,321	436,880	123,054	676,255	767,083

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

Prior financial year

		Unrestricted funds general 2023 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes				
<u>Income and endowments from:</u>					
Donations and grants	3	123,004	-	-	123,004
<u>Charitable activities</u>					
In House Productions	4	148,672	-	-	148,672
Theatre operations	4	52,821	-	-	52,821
Studio Hire	4	103,895	-	-	103,895
Tenant income	4	59,805	-	-	59,805
Investments	5	2,350	-	-	2,350
Other income	6	56,603	-	-	56,603
Total income		<u>547,150</u>	<u>-</u>	<u>-</u>	<u>547,150</u>
<u>Expenditure on:</u>					
Raising funds					
<u>Charitable activities</u>					
Theatre operations	7	547,486	13,857	-	561,343
Total charitable expenditure		<u>547,486</u>	<u>13,857</u>	<u>-</u>	<u>561,343</u>
Net expenditure for the year/ Net movement in funds		(336)	(13,857)	-	(14,193)
Fund balances at 1 April 2022		<u>137,939</u>	<u>520,283</u>	<u>123,054</u>	<u>781,276</u>
Fund balances at 31 March 2023		<u>137,603</u>	<u>506,426</u>	<u>123,054</u>	<u>767,083</u>

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	13		482,962		516,582
Investments	14		10,000		10,000
			<u>492,962</u>		<u>526,582</u>
Current assets					
Debtors	15	76,275		73,074	
Cash at bank and in hand		422,018		333,159	
		<u>498,293</u>		<u>406,233</u>	
Creditors: amounts falling due within one year	17	(297,689)		(138,101)	
Net current assets			<u>200,604</u>		<u>268,132</u>
Total assets less current liabilities			<u>693,566</u>		<u>794,714</u>
Creditors: amounts falling due after more than one year	18		(17,311)		(27,631)
Net assets			<u><u>676,255</u></u>		<u><u>767,083</u></u>
The funds of the charity					
Restricted income funds	21		123,054		123,054
Unrestricted funds - general	23		116,321		137,603
Unrestricted funds - designated	22		436,880		506,426
			<u><u>676,255</u></u>		<u><u>767,083</u></u>

The financial statements were approved by the trustees on

.....
Cllr. H Farren (Chairman)
Trustee

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Chequer Mead Arts and Community Trust is a registered Charitable Incorporated Organisation (CIO).

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's CIO Foundation Model, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Preparation of Consolidated Financial Statements

The financial statements contain information about Chequer Mead Arts and Community Trust as an individual charity and do not contain consolidated financial information as the parent of a group. The Charity is exempt from the requirement to prepare consolidated accounts on the basis it qualifies as a small group.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated Funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Grant income provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when admission fees or performance related grants are received in advance of the performance or event to which they relate.

Income from bar and ice cream sales is recognised as earned (as the related goods and services are provided).

Investment income is recognised on a receivables basis.

Activities in furtherance of charitable objects includes theatre operations, studio hire, in-house productions and tenant income. Charitable income is recognised on the date of the performance or as the room is hired.

Donations and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

Other Income

Other income consists of Spektrix commissions, income from marketing and postage and income from the premium club. It is recognised in the accounts when the charity has earned entitlement to the income, it is probable the income will be received and the amount can be reliably measured.

Legacy Income

For Legacies entitlement is taken at earlier of:

- the date on which the charity is aware that probate has been granted.
- the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made.
- when distribution is received from the estate.

Receipt of a legacy, is whole or in part, is only considered probable when the amount can be reliably measured and the charity has been notified of the executor's intention to make distribution. Where legacies have been notified to the charity, or the charity is aware of granting probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Liabilities are recognised as expenditure as soon as there is 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.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include governance costs. These costs have been allocated between the different charitable activities on a percentage basis. The bases on which support costs have been allocated are set out in note 8.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £1,000 are capitalised at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	Over the term of the lease
Fixtures, fittings & equipment	10-33% p.a. straight line
Computers	10-33% p.a. straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discount offered.

Basic financial liabilities

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors and provisions are normally recognised at their settlement value after allowing for any discounts offered.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is not subject to corporation tax or any other taxes on income or gains arising from its charitable objectives.

1.11 Employee benefits

The costs of short term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

Post 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.

1.13 Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.14 Operating Leases

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Donated assets

Goods donated for on-going use by the charity in carrying out its activities are recognised as tangible fixed assets with the corresponding gain recognised as income from donations when goods are above the charities capitalisation limit of £1,000. Donated goods are measured at their fair value.

Volunteer time

The charity makes use of volunteers in carrying out the charitable activities. It is impractical to value the costs of the volunteer involved. No amount for volunteer time are included within the accounts.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	62,660	49,004
Grants	70,000	74,000
	<u>132,660</u>	<u>123,004</u>
Grants		
Other	70,000	74,000
	<u>70,000</u>	<u>74,000</u>

4 Charitable activities

	In House Productions 2024 £	Theatre operations 2024 £	Studio Hire 2024 £	Tenant income 2024 £	Film & Events Cinema 2024 £	Total 2024 £	Total 2023 £
Income from charitable activities	<u>164,514</u>	<u>61,415</u>	<u>65,466</u>	<u>76,595</u>	<u>4,103</u>	<u>372,093</u>	<u>365,193</u>

For the year ended 31 March 2023

	In House Productions £	Theatre operations £	Studio Hire £	Tenant income £	Total 2023 £
Income from charitable activities	<u>148,672</u>	<u>52,821</u>	<u>103,895</u>	<u>59,805</u>	<u>365,193</u>
Analysis by fund					
Unrestricted funds - general	<u>148,672</u>	<u>52,821</u>	<u>103,895</u>	<u>59,805</u>	<u>365,193</u>

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	7,645	2,350

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	7,295	15,611
Postage	5,648	4,866
Premium club	46,205	36,126
	59,148	56,603

7 Expenditure on charitable activities

	Theatre Operations 2024 £	Theatre Operations 2023 £
Direct costs		
Staff costs	261,151	237,548
Depreciation and impairment	33,620	33,074
Production & Events management	15,765	5,226
Advertising	138,563	112,924
IT, Repairs & Maintenance	35,585	35,385
Daily running costs	167,528	121,669
	652,212	545,826
Share of support and governance costs (see note 8)		
Governance	10,162	15,517
	662,374	561,343
Analysis by fund		
Unrestricted funds - general	640,929	547,486
Unrestricted funds - designated	21,445	13,857
	662,374	561,343

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

8 Support costs

	Support costs	Governance costs	2024	2023
	£	£	£	£
Independent Examiners fee	-	2,438	2,438	1,750
Accountancy	-	-	-	2,750
Legal and professional	-	7,724	7,724	11,017
	-	10,162	10,162	15,517
Analysed between				
Charitable activities	-	10,162	10,162	15,517

9 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	2,438	1,750
Depreciation of owned tangible fixed assets	33,620	33,074

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year and none of them were reimbursed any expenses (2023- no expenses were reimbursed).

11 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Theatre management	1	1
Technical staff	2	2
Administration	4	4
Total	7	7

Employment costs

	2024	2023
	£	£
Wages and salaries	238,079	215,990
Social security costs	16,703	14,254
Other pension costs	4,985	4,044
	259,767	234,288

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

11 Employees

(Continued)

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	54,463	54,463

The charity has a close working relationship with East Grinstead Town Council. This body nominates the majority of trustees (see the trustees report) and provides funding to enable the charity to carry out its charitable activities. Grant income received in the year totalled £74,000 (2022: £74,000).

A subsidiary trading company Chequer Mead Trading Limited was incorporated on 15 May 2019 and began trading in September 2019. A donation of £40,990 (2022: £9,565) was made from the trading subsidiary to the charity during the year. At 31 March 2023 £38,247 was owed to the charity from the trading subsidiary.

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings & equipment £	Computers £	Total £
Cost				
At 1 April 2023	486,210	218,223	16,078	720,511
At 31 March 2024	486,210	218,223	16,078	720,511
Depreciation and impairment				
At 1 April 2023	72,598	118,746	12,585	203,929
Depreciation charged in the year	13,857	17,901	1,862	33,620
At 31 March 2024	86,455	136,647	14,447	237,549
Carrying amount				
At 31 March 2024	399,755	81,576	1,631	482,962
At 31 March 2023	413,612	99,478	3,492	516,582

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

14 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2023 & 31 March 2024		10,000
Carrying amount		
At 31 March 2024		10,000
At 31 March 2023		10,000

		2024 £	2023 £
Other investments comprise:	Notes		
Investments in subsidiaries	27	10,000	10,000

15 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	4,082	16,708
Amounts owed by subsidiary undertakings	48,179	38,247
Other debtors	-	1,395
Prepayments and accrued income	24,014	16,724
	76,275	73,074

16 Loans and overdrafts

	2024 £	2023 £
Other loans	27,388	37,207
Payable within one year	10,077	9,576
Payable after one year	17,311	27,631

The bounce back loan with Natwest bank was taken out during the Covid-19 pandemic. The amount borrowed was the max available of £50,000 at a fixed interest rate of 2.5%.

The loan which is repayable fully within 5 years had no interest charged in the first year and thereafter charged at the applicable rate above.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

17 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Borrowings		10,077	9,576
Other taxation and social security		19,419	5,376
Deferred income	19	33,386	-
Trade creditors		60,469	65,631
Other creditors		7,352	833
Accruals		166,986	56,685
		<u>297,689</u>	<u>138,101</u>

18 Creditors: amounts falling due after more than one year

	2024 £	2023 £
Borrowings	17,311	27,631
	<u>17,311</u>	<u>27,631</u>

19 Deferred income

	2024 £	2023 £
Other deferred income	33,386	-
	<u>33,386</u>	<u>-</u>

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	33,386	-
	<u>33,386</u>	<u>-</u>
Movements in the year:		
Deferred income at 1 April 2023	-	-
Resources deferred in the year	33,386	-
	<u>33,386</u>	<u>-</u>
Deferred income at 31 March 2024	<u>33,386</u>	<u>-</u>

20 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	4,985	4,044
	<u>4,985</u>	<u>4,044</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023	At 31 March 2024
	£	£
EGTC Bulding project	123,054	123,054

Previous year:

	At 1 April 2022	At 31 March 2023
	£	£
EGTC Bulding project	123,054	123,054

EGTC Building Project fund- This fund represents monies granted to the charity to carry out redevelopment work on the theatre.

22 Unrestricted funds - designated

These are unrestricted funds which are material to the charity's activities.

	At 1 April 2023	Resources expended	Transfers	At 31 March 2024
	£	£	£	£
Donated Equipment	52,015	(7,430)	(7,431)	37,154
Leasehold Improvements	413,613	(13,858)	(29)	399,726
Boiler	20,000	-	(20,000)	-
Theatre Seats	20,798	(157)	(20,641)	-
	506,426	(21,445)	(48,101)	436,880

Previous year:

	At 1 April 2022	Resources expended	Transfers	At 31 March 2023
	£	£	£	£
Donated Equiment	52,015	-	-	52,015
Leasehold Improvements	427,470	(13,857)	-	413,613
Boiler	20,000	-	-	20,000
Theatre Seats	20,798	-	-	20,798
	520,283	(13,857)	-	506,426

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Unrestricted Funds	137,603	571,546	(640,929)	48,101	116,321
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
Unrestricted funds	137,939	547,150	(547,486)	-	137,603
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Theatre Seats Fund, Room Chairs Fund and Screen Projector fund all represents assets purchased with designated fund income. The balances are in line with the Net Book Value of these assets.

Leasehold improvements fund represents amounts that have been spend on leasehold improvements out of the EGTC building project grant including the annual depreciation charge.

The boiler fund represents funds set aside by the Trustees to upkeep the boilers on a regular basis.

24 Analysis of net assets between funds

	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total
	2024	2024	2024	2024
	£	£	£	£
At 31 March 2024:				
Tangible assets	46,082	436,880	-	482,962
Investments	10,000	-	-	10,000
Current assets/(liabilities)	77,550	-	123,054	200,604
Long term liabilities	(17,311)	-	-	(17,311)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	116,321	436,880	123,054	676,255
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

24 Analysis of net assets between funds

(Continued)

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:				
Tangible assets	10,156	506,426	-	516,582
Investments	10,000	-	-	10,000
Current assets/(liabilities)	145,078	-	123,054	268,132
Long term liabilities	(27,631)	-	-	(27,631)
	<u>137,603</u>	<u>506,426</u>	<u>123,054</u>	<u>767,083</u>

25 Financial commitments, guarantees and contingent liabilities

Contingent Liability

The S106 grants received from Mid Sussex District Council is potentially repayable if within 14 years the theatre facility ceases to be used for leisure activities or if any other conditions of the grant are not complied with.

26 Related party transactions

The charity has a close working relationship with East Grinstead Town Council. This body nominates the majority of trustees (see the trustees report) and provides funding to enable the charity to carry out its charitable activities. Grant income received in the year totalled £70,000 (2023: £74,000).

A subsidiary trading company Chequer Mead Trading Limited was incorporated on 15 May 2019 and began trading in September 2019. A donation of £55,183 (2023: £40,990) was made from the trading subsidiary to the charity during the year. At 31 March 2024 £48,179 (2023: £38,247) was owed to the charity from the trading subsidiary.

27 Subsidiaries

These financial statements are separate charity financial statements for Chequer Mead Arts and Community Trust

Details of the charity's subsidiaries at 31 March 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Chequer Mead Trading Limited	De La Warr Road, East Grinstead, West Sussex, RH19 3BS	Hot beverages, food & catering and bar service to benefit the image of the Chequer Mead Theatre brand.	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Chequer Mead Trading Limited	-	10,000

CHEQUER MEAD ARTS AND COMMUNITY TRUST

England & Wales - Charity number 1165519

Accounts

Charity registration number 1165519

CHEQUER MEAD ARTS AND COMMUNITY TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

CHEQUER MEAD ARTS AND COMMUNITY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Cllr. F Osborne (ex-chairman)	
	Cllr. J A Mockford	
	S G Cole (independent)	
	Cllr. H Farren (Chairman)	
	N S Gibson (independent/Treasurer)	
	Cllr D Duly	(Appointed 25 May 2022)
	Cllr S Barnett	(Appointed 24 May 2023)
	Cllr T Hughes	(Appointed 24 May 2023)

Charity number 1165519

Registered office Chequer Mead Theatre
De La Warr Road
East Grinstead
RH19 3BS

Independent examiner Darren Harding ACA FCCA DChA
Richard Place Dobson Services Limited
1-7 Station Road
Crawley
West Sussex
RH10 1HT

CHEQUER MEAD ARTS AND COMMUNITY TRUST

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CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "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

The Charity's objects are:

- To advance public education by fostering and promoting for the benefit of the public the improvement and development of artistic knowledge and taste, understanding and appreciation of the arts and crafts among the inhabitants of the Area of Benefit.
- To provide and assist in the provision of community facilities for recreation and other leisure occupation of the inhabitants of the Area of Benefit in the interests of social welfare and with the object of improving their conditions of life in particular but not exclusively by the provision and maintenance of a Community Arts Centre.
- To further such other charitable purposes for the benefit of the inhabitants of the Area of Benefit as the Managing Trustees see fit from time to time.
- To contribute to the quality of life of the people of East Grinstead and the wider area by expanding their horizons through the provision of exciting, challenging and accessible professional and community arts events.

The main objectives each year are the promotion and fostering of artistic knowledge and the appreciation of the arts by the provision of facilities for the education and entertainment of the public in the fields of art, craft, music and drama.

The strategies employed to achieve the Charity's objects are to:

- Offer opportunities for a broad range of sections of the community to get involved in arts and performance activities exploring and developing their creative skills and potential;
- Provide facilities for amateur and professional artists to develop. Amateur groups are given discounted rates for hire of space and access to professional advice;
- Concentrate on involving young people in the arts to help encourage a culture in which different age ranges play a complementary parts;
- Celebrate the diversity of cultures in our society by programming presentations by, and with, artists of different cultural backgrounds, and presenting a broad range of arts works;
- Create and maintain partnerships with local organisations and partners to maintain dialogue and create new projects and opportunities.

Activities

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

In normal circumstances the three major areas of activity are: concerts and stage performances; educational pro-programmes, and studio hires for community group rehearsals and meetings.

The artistic programme seeks to combine amateur community events together with professional events including classical plays, light opera, music, ballet, and dramatic modern performances to suit a range of public tastes with the emphasis on maintaining a popular programme, which underpins the viability of a Chequer Mead that reaches out to the community.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The annual Christmas pantomime remains Chequer Mead's flagship event, from both a financial and a community perspective. Following the enormous success of the first full in-house production, 'Jack and the Beanstalk', the Trustees decided to continue with in-house pantomime productions, and the December 2022 pantomime, 'Aladdin', was even more successful than Jack and the Beanstalk, generating revenue materially higher than even the last pre-pandemic pantomime, Cinderella, with a very high level of complimentary and positive feedback from the local community. As in previous years, a 'relaxed performance' was included, aimed at those in our community who benefit from a quieter performance.

Musical highlights of the year included the monthly East Grinstead Jazz Club, The Carpenters Experience, Show of Hands, Shakatak, T.Rextasy, The Drifters, The Unthanks, Steeleye Span, Dynamo Quartet, Seth Lakeman, and Ralph McTell; comedy shows featured high profile performers Gary Delaney, Suzi Ruffell, Mark Watson, and Hal Cruttend-en; and Psychic Sally. During the year, the well-attended 'West End Cabaret Club' performances continued and sold well. East Grinstead Comedy Club was started as a co-production between the Trust and Rangatainment (Romesh Ranganathan's family). The monthly performances are selling well and continue to go from strength to strength.

The Apron Bar and Coffee House started trading in September 2019 as an in-house subsidiary trading company to provide an integrated and informal structure for the provision of hot beverages, catering and bar operations, for events and as a community provision at other times. Profits generated by the trading company are gifted to the Trust as a charitable donation. The Trustees are delighted with the performance of the trading company, which finished the year 2022-2023 with a gross profit of £42,052 before the donation to the CIO (previous year a trading profit of £22,922). After allowance for taxes, a donation of £40,990 was made to the CIO by the trading subsidiary following the year end (previous year a donation of £9,565).

The Apron has become a valued asset to the community and goes from strength to strength, supporting the work of the CIO.

Despite commercial pressures to drive ticket sales from popular shows - our charitable objects dictate that we are re-quired to provide a very wide and balanced programme of types and styles of events - to suit the public needs. There-fore all programming is divided into eight different categories of: Music, Dance, Comedy, Musicals & Drama, Event Cinema, Family, Talks, Film.

Many of our Town and District primary and secondary schools continue to use Chequer Mead Theatre for their plays and productions, at discounted hire rates. We look forward to their return.

We have hosted many amateur dramatic groups, and there are a host of amateur youth dance schools and groups that were hiring the theatre - quite often all day on a Sunday.

The Trustees have observed different patterns of ticket sales following the return from the pandemic. Theatre-goers are now, in general, purchasing tickets for shows shortly before the event takes place: pre-pandemic we would see a much higher proportion of advance ticket sales. The new pattern makes it harder to gauge the success of an event until it takes place, although ticket sales generally are close to pre-pandemic levels.

We are delighted that 77% of those who attended events were happy to use e-tickets for entry, and we anticipate this figure will climb.

Volunteers and Friends

The very loyal band of fifty core volunteers continue to provide a marvellous service to Chequer Mead operating the box office, as theatre stewards, and selling ice cream. Bar activities are now held within the trading subsidiary, and use of volunteers there has ceased.

Chequer Mead Premium Club was slowly growing pre-pandemic: for a modest yearly membership fee members enjoy a range of benefits such as ticket discounts and discounts at the Apron.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

General Manager and staffing

The Trustees would like to extend their heartfelt thanks to the General Manager and all of the energetic current and former staff, for their efforts and dedication during the year. Following the pandemic and the instability that ensued, we now have a stable and very capable group of staff within the CIO. Staffing for the trading company remains a continuing challenge, in common with the rest of the hospitality industry.

The General Manager and long-standing and new staff members continue to prioritise the safety and well-being of our staff and customers, whilst looking forward to building a new and engaging event schedule. With staffing now in place we can strengthen and restore our outreach to the community, as well as re-focusing on necessary improvements to the fabric of the building. During this challenging period the Trustees have continued to take a particular interest in the mental well-being of our staff, and continue to offer support.

Capital Investment and building works

The Trust remains a tenant at Chequer Mead, with the freehold being held by East Grinstead Town Council. The Trustees' continuing objective is to improve or enhance the property where this either increases the attractiveness to community patrons (as with the upgraded toilets) or provides a clear cost benefit to the Trust (the previously installed solar panels), with the spin-off benefit that the community ultimately owns an asset of which the value is maintained and enhanced.

Marketing and branding

The Trustees' objective is to deliver more effective and innovative marketing in order to promote the brand further and to attract more agents, promoters, acts, hirers, community groups, amateur dramatic groups etc - as well as to drive this process into increased tickets sales and revenue.

Looking forward, social media, digital marketing and targeted emails have continued this year and will intensify - however the two main traditional marketing tools remain the website and the Venue Guide - of which three had been produced each year (Jan to April/ May to August/ September to December). Post-year end, in order to reduce costs, the Trustees decided to reduce the frequency to twice each year and reduce the size, without sacrificing quality.

Online sales for the year reached 74% of all sales for the year, which was almost identical to the previous year, and now seems a continuing trend post-pandemic.

Financial review

During the year the Trust made a loss of £14,193 after the donation received from the trading company (previous year's loss £35,832 before the post-year end donation of £9,565 from the trading company). This continues the trend as seen in the previous year's accounts towards becoming profitable again.

During the year, following the 2021-22 audit, our auditors recommended that the CIO trustees formally appoint one of their number as Treasurer. After due consideration, Nick Gibson (independent) was voted into the role.

The building has unavoidable base-line costs, whether or not revenue is generated from events, from mandatory maintenance to insurance. The installation of solar panels continues to help to defray energy costs during the financial year and going forward, which is of some help in current circumstances. The Trustees are grateful to East Grinstead Town Council for their continued support and annual grant. Chequer Mead normally receives no other grants that support core running costs and has to earn income to enable the theatre to be self-supporting in normal times.

The Trust will continue to make applications to grant funding bodies to improve our existing facilities. Project funding will also be pursued to continue our programme of arts development and youth projects which were proving a popular addition to our work. During the previous year Chequer Mead had received £68,125 in grant funding from Mid Sussex District Council for the toilet refurbishment project, which has now been completed to a high standard, and the funds released from restricted reserves in settlement. The Trustees are grateful to MSDC for their continuing support.

We had successfully obtained 'bounce back loans' of £50,000 each for the Charity and the trading company during the pandemic, which after an interest-free period, continue to charge a very low rate of interest. We have been repaying approximately £850 per month, which is obviously reflected in the result for the period. The balance at the year-end for the Charity stands at £37,207 including interest (previous year £46,857).

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

It is the Trustees' view that it is prudent to ensure that there are sufficient reserves to provide financial flexibility over the course of each financial year. The reserves policy was reviewed at the end of 2022 and a revised policy adopted on 18th January 2023. The new policy sets a target of £150,000 in undesignated reserves (previously £250,000) representing approximately six months' expenditure in the absence of any events or hires (as in the pandemic). The target date for achieving the new target was set as March 2024. The policy is scheduled for review as of March 2024, and then every two years thereafter.

Whilst the Trustees are budgeting for a return to profit for the year 2023-2024, we face (in common with the rest of the country) uncertainties around costs, particularly in respect of energy and logistics; we also face uncertainty in respect of the potential impact of inflation and interest rates on the discretionary spending of the theatre-going public and room hirers. We remain comfortable that we have adequate reserves to cover the charity against unforeseen and indeterminate rises in costs and/or reductions in revenue for the coming year.

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate re-sources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Plans for future periods

Future Plans

Chequer Mead's objectives for 2023/24 include the following:

- Maintain tight budgetary control
- Continue to source new revenue streams
- Continue to attract higher profile mainstream acts
- Present the annual pantomime production in-house again
- Bring back studio hirers and attract new hirers
- Further develop the success of The Apron offering
- Continue to invest in the professionalism and well-being of our staff team
- Drive up theatre revenue through show and ticket sales volume growth, competitive pricing, and improved contract arrangements
- Sustain and enhance marketing intensity and brand awareness
- Continue to invest in the building infrastructure where cost-effective
- Identify and manage risks to our activities in the 'new normal' on a dynamic basis

Structure, governance and management

The Trust's affairs are overseen by the Board of Trustees. There is a mix of Council-appointed Trustees ("Nominated Trustees") and Independent Trustees, and the Trust's affairs are governed by its written Constitution which was revised and re-adopted during the year. Changes were to revise governance, but not the charity's objectives or operations. The Trustees meet monthly. Nominees appointed by East Grinstead Town Council are subject to the appointment process of this body and the guidelines on appointment to public office as they apply to local government nominees. Both Nominated and Independent Trustees are vetted and interviewed by the Board prior to appointment. All appointments are for fixed terms.

It is important to emphasise that the Chequer Mead Arts and Community Trust (a Charitable Incorporated Organisation) is a totally separate and independent legal and trading entity from East Grinstead Town Council: the Town Council is the landlord and freehold site and building owner, and appoints half of the Trustees. The Chairman, who carries a casting vote, must be a Nominated Trustee.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Chequer Mead Arts and Community Trust is legally bound principally by the Charities Act 2011 - and is required to report directly to the Charities Commission with an Annual Report including yearly accounts - as well as periodically on other administrative matters.

After the year end and prior to the signing of these accounts Council elections were held on 4th May 2023. Councillors cease to serve as Councillors once an election is formally called. The Constitution requires that Nominated Trustees should be serving Councillors; consequently the Nominated Trustees then ceased to be eligible to serve as Trustees. The new Council nominated four Councillors to serve as Trustees on 16th May 2023. The remaining Members of the CIO passed a Written Resolution on 17th May 2023 approving the re-appointments of Councillors Farren and Mockford as Nominated Trustees and approving the appointments of former Councillors Osborne and Duly as Independent Trustees. Councillors Barnett and Hughes were appointed as new Nominated Trustees at an Extraordinary General Meeting held on 24th May 2023.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Cllr. F Osborne (ex-chairman)

Cllr. J A Mockford

S G Cole (independent)

Cllr. H Farren (Chairman)

N S Gibson (independent/Treasurer)

Cllr. F Visser

(Resigned 1 April 2022)

Cllr D Duly

(Appointed 25 May 2022)

Cllr S Barnett

(Appointed 24 May 2023)

Cllr T Hughes

(Appointed 24 May 2023)

Board decisions are usually unanimous. In the event of a disagreement decisions are put to a vote of a simple majority, with dissenting views recorded in the Minutes. The Chairman has the casting vote.

The day-to-day running of the Trust is the responsibility of the General Manager, who is accountable to the Board of Trustees and reports to the Board at each monthly meeting on operational and financial issues. Each year the General Manager produces a detailed budget in conjunction with the Trustees, and reports on performance against budget each month.

Detailed policies are in place for discharging all mandatory responsibilities (e.g. Health and Safety, Diversity, Safeguarding etc).

Risk management

The Board and General Manager has a risk management strategy that comprises:

- Identifying and recording the risks that the Charity may face in a detailed risk register.
- The establishment of policies, systems and procedures to mitigate those risks.
- The implementation of procedures designed to minimise any potential impact of the Charity should those risks materialise.
- Particular attention has been given by the Trustees to non-financial risks arising from health and safety and artistic programmes.
- A key element in the management of the financial risk is the setting of a reserves policy and its regular review by all Trustees.
- The risk register is frequently reviewed

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

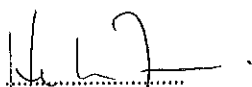
FOR THE YEAR ENDED 31 MARCH 2023

Conclusion

The year to 31st March 2023 was characterised by regrouping and consolidation. The Trustees and the larger community are seeing the benefits of the decisions in 2019 and 2021 respectively to bring the catering operation and our pantomime production in-house whilst continuing to provide high quality events and maintaining and improving our service standards. We continue to look for ways to enhance both the community experience and our revenues - the recent continuing tenancy of the Barclays Bank advisory hub within Chequer Mead from July this year being but one example.

The Trustees extend their thanks to the General Manager and all of our staff for their ceaseless efforts to improve the Chequer Mead experience and reach out further to the community. It seems clear from the feedback we receive that the community overwhelmingly supports and values Chequer Mead as an integral and vital part of the town.

The trend in overall profitability over the last three years, post-pandemic, is very positive, and we are budgeting for a small profit in the 2023-2024 financial year.



Cllr. H Farren (Chairman)

Trustee

Date: 30.01.2024

CHEQUER MEAD ARTS AND COMMUNITY TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CHEQUER MEAD ARTS AND COMMUNITY TRUST

I report to the trustees on my examination of the financial statements of Chequer Mead Arts and Community Trust (the charity) for the year ended 31 March 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Darren Harding ACA FCCA DChA

Richard Place Dobson Services Limited
1-7 Station Road
Crawley
West Sussex
RH10 1HT

Dated: 31 January 2024

CHEQUER MEAD ARTS AND COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Current financial year

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
<u>Income and endowments from:</u>						
Donations and grants	3	123,004	-	-	123,004	182,134
<u>Charitable activities</u>						
In House Productions	4	148,672	-	-	148,672	124,008
Theatre operations	4	52,821	-	-	52,821	8,586
Studio Hire	4	103,895	-	-	103,895	25,201
Tenant income	4	59,805	-	-	59,805	43,751
Investments	5	2,350	-	-	2,350	1,692
Other income	6	56,603	-	-	56,603	4,379
Total income		547,150	-	-	547,150	389,751
<u>Expenditure on:</u>						
<u>Raising funds</u>						
<u>Charitable activities</u>						
Theatre operations	7	547,486	13,857	-	561,343	414,584
Total charitable expenditure		547,486	13,857	-	561,343	414,584
Other	11	-	-	-	-	1,434
Total resources expended		547,486	13,857	-	561,343	416,018
Net expenditure for the year/ Net outgoing resources		(336)	(13,857)	-	(14,193)	(26,267)
Fund balances at 1 April 2022		137,939	520,283	123,054	781,276	807,543
Fund balances at 31 March 2023		137,603	506,426	123,054	767,083	781,276

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

All income and expenditure derive from continuing activities.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Prior financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
<u>Income and endowments from:</u>					
Donations and grants	3	114,009	-	68,125	182,134
<u>Charitable activities</u>					
In House Productions	4	124,008	-	-	124,008
Theatre operations	4	8,586	-	-	8,586
Studio Hire	4	25,201	-	-	25,201
Tenant income	4	43,751	-	-	43,751
Investments	5	1,692	-	-	1,692
Other income	6	4,379	-	-	4,379
Total income		321,626	-	68,125	389,751
<u>Expenditure on:</u>					
<u>Raising funds</u>					
<u>Charitable activities</u>					
Theatre operations	7	400,727	13,857	-	414,584
Total charitable expenditure		400,727	13,857	-	414,584
Other	11	1,434	-	-	1,434
Total resources expended		402,161	13,857	-	416,018
Net outgoing resources before transfers		(80,535)	(13,857)	68,125	(26,267)
Gross transfers between funds		68,125	-	(68,125)	-
Net expenditure for the year/ Net movement in funds		(12,410)	(13,857)	-	(26,267)
Fund balances at 1 April 2021		150,349	534,140	123,054	807,543
Fund balances at 31 March 2022		137,939	520,283	123,054	781,276

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

All income and expenditure derive from continuing activities.

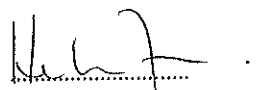
CHEQUER MEAD ARTS AND COMMUNITY TRUST

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		516,582		514,267
Investments	14		10,000		10,000
			<u>526,582</u>		<u>524,267</u>
Current assets					
Debtors	15	73,074		47,847	
Cash at bank and in hand		333,159		421,314	
		<u>406,233</u>		<u>469,161</u>	
Creditors: amounts falling due within one year	17	(138,101)		(174,871)	
Net current assets			<u>268,132</u>		<u>294,290</u>
Total assets less current liabilities			<u>794,714</u>		<u>818,557</u>
Creditors: amounts falling due after more than one year	18		(27,631)		(37,281)
Net assets			<u><u>767,083</u></u>		<u><u>781,276</u></u>
Income funds					
Restricted funds	19		123,054		123,054
<u>Unrestricted funds</u>					
Designated funds	20	506,426		520,283	
General unrestricted funds		<u>137,603</u>		<u>137,939</u>	
			<u>644,029</u>		<u>658,222</u>
			<u><u>767,083</u></u>		<u><u>781,276</u></u>

The financial statements were approved by the Trustees on 17.01.24


 Cllr. H Farren (Chairman)
 Trustee

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Chequer Mead Arts and Community Trust is a registered Charitable Incorporated Organisation (CIO).

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's CIO Foundation Model, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Preparation of Consolidated Financial Statements

The financial statements contain information about Chequer Mead Arts and Community Trust as an individual charity and do not contain consolidated financial information as the parent of a group. The Charity is exempt from the requirement to prepare consolidated accounts on the basis it qualifies as a small group.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated Funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Grant income provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when admission fees or performance related grants are received in advance of the performance or event to which they relate.

Income from bar and ice cream sales is recognised as earned (as the related goods and services are provided).

Investment income is recognised on a receivables basis.

Activities in furtherance of charitable objects includes theatre operations, studio hire, in-house productions and tenant income. Charitable income is recognised on the date of the performance or as the room is hired.

Donations and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

Other Income

Other income consists of Spektrix commissions, income from marketing and postage and income from the premium club. It is recognised in the accounts when the charity has earned entitlement to the income, it is probable the income will be received and the amount can be reliably measured.

Legacy Income

For Legacies entitlement is taken at earlier of:

- the date on which the charity is aware that probate has been granted.
- the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made.
- when distribution is received from the estate.

Receipt of a legacy, is whole or in part, is only considered probable when the amount can be reliably measured and the charity has been notified of the executor's intention to make distribution. Where legacies have been notified to the charity, or the charity is aware of granting probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Liabilities are recognised as expenditure as soon as there is 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.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include governance costs. These costs have been allocated between the different charitable activities on a percentage basis. The bases on which support costs have been allocated are set out in note 8.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £1,000 are capitalised at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	Over the term of the lease
Fixtures, fittings & equipment	10-33% p.a. straight line
Computers	10-33% p.a. straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discount offered.

Basic financial liabilities

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors and provisions are normally recognised at their settlement value after allowing for any discounts offered.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is not subject to corporation tax or any other taxes on income or gains arising from its charitable objectives.

1.11 Employee benefits

The costs of short term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

Post 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.

1.13 Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.14 Operating Leases

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Donated assets

Goods donated for on-going use by the charity in carrying out its activities are recognised as tangible fixed assets with the corresponding gain recognised as income from donations when goods are above the charities capitalisation limit of £1,000. Donated goods are measured at their fair value.

Volunteer time

The charity makes use of volunteers in carrying out the charitable activities. It is impractical to value the costs of the volunteer involved. No amount for volunteer time are included within the accounts.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and grants

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	49,004	39,176	-	39,176
Grants	74,000	74,833	68,125	142,958
	<u>123,004</u>	<u>114,009</u>	<u>68,125</u>	<u>182,134</u>
Grants receivable for core activities				
Other	74,000	74,833	68,125	142,958
	<u>74,000</u>	<u>74,833</u>	<u>68,125</u>	<u>142,958</u>

4 Charitable activities

	In House Productions 2023 £	Theatre operations 2023 £	Studio Hire 2023 £	Tenant income 2023 £	Total 2023 £	Total 2022 £
Income from charitable activities	148,672	52,821	103,895	59,805	365,193	201,546
	<u>148,672</u>	<u>52,821</u>	<u>103,895</u>	<u>59,805</u>	<u>365,193</u>	<u>201,546</u>

For the year ended 31 March 2022

	In House Productions £	Theatre operations £	Studio Hire £	Tenant income £	Total 2022 £
Income from charitable activities	124,008	8,586	25,201	43,751	201,546
	<u>124,008</u>	<u>8,586</u>	<u>25,201</u>	<u>43,751</u>	<u>201,546</u>
Analysis by fund					
Unrestricted funds - general	124,008	8,586	25,201	43,751	201,546
	<u>124,008</u>	<u>8,586</u>	<u>25,201</u>	<u>43,751</u>	<u>201,546</u>

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5	Investments		Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
		Deposit account interest	2,350	1,692
6	Other income			
		Other income	15,611	-
		Postage	4,866	3,377
		Premium Club	36,126	1,002
			56,603	4,379
7	Charitable activities			
			Theatre operations 2023 £	Theatre operations 2022 £
		Staff costs	237,548	137,226
		Depreciation and impairment	33,074	32,561
		Production & Events management	5,226	53,629
		Advertising	112,924	31,866
		IT, Repairs & Maintenance	35,385	28,799
		Daily running costs	121,669	113,827
			545,826	397,908
		Share of governance costs (see note 8)	15,517	16,676
			561,343	414,584
		Analysis by fund		
		Unrestricted funds - general	547,486	400,727
		Unrestricted funds - designated	13,857	13,857
			561,343	414,584

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Independent Examiners fee	-	1,750	1,750	2,750
Accountancy	-	2,750	2,750	8,735
Legal and professional	-	11,017	11,017	5,191
	<u>-</u>	<u>15,517</u>	<u>15,517</u>	<u>16,676</u>
Analysed between				
Charitable activities	-	15,517	15,517	16,676
	<u>-</u>	<u>15,517</u>	<u>15,517</u>	<u>16,676</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year and none of them were reimbursed any expenses (2022- no expenses were reimbursed).

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Theatre management	1	1
Technical staff	2	6
Administration	4	4
Total	<u>7</u>	<u>11</u>

Employment costs

	2023 £	2022 £
Wages and salaries	215,990	126,449
Social security costs	14,254	7,914
Other pension costs	4,044	2,395
	<u>234,288</u>	<u>136,758</u>

There were no employees whose annual remuneration was more than £60,000.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

11 Other

	Total	Unrestricted funds general
	2023	2022
	£	£
Net loss on disposal of tangible fixed assets	-	1,434
	-	1,434

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Computers	Total
	£	£	£	£
Cost				
At 1 April 2022	486,210	184,502	14,412	685,124
Additions	-	33,722	1,666	35,388
At 31 March 2023	486,210	218,224	16,078	720,512
Depreciation and impairment				
At 1 April 2022	58,740	101,247	10,869	170,856
Depreciation charged in the year	13,858	17,499	1,717	33,074
At 31 March 2023	72,598	118,746	12,586	203,930
Carrying amount				
At 31 March 2023	413,612	99,478	3,492	516,582
At 31 March 2022	427,470	83,255	3,542	514,267

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

14 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2022 & 31 March 2023		10,000
Carrying amount		
At 31 March 2023		10,000
At 31 March 2022		10,000

	Notes	2023 £	2022 £
Other investments comprise:			
Investments in subsidiaries	24	10,000	10,000

15 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	16,708	6,593
Amounts owed by subsidiary undertakings	38,247	9,565
Other debtors	1,395	5,892
Prepayments and accrued income	16,724	25,797
	73,074	47,847

16 Loans and overdrafts

	2023 £	2022 £
Other loans	37,207	46,857
Payable within one year	9,576	9,576
Payable after one year	27,631	37,281

The bounce back loan with Natwest bank was taken out during the Covid-19 pandemic. The amount borrowed was the max available of £50,000 at a fixed interest rate of 2.5%.

The loan which is repayable fully within 5 years had no interest charged in the first year and thereafter charged at the applicable rate above.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

17 Creditors: amounts falling due within one year

	2023 £	2022 £
Borrowings	9,576	9,576
Other taxation and social security	5,376	192
Trade creditors	65,631	48,219
Amounts owed to subsidiary undertakings	-	16,733
Other creditors	833	411
Accruals and deferred income	56,685	99,740
	<u>138,101</u>	<u>174,871</u>

18 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Borrowings	<u>27,631</u>	<u>37,281</u>

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Balance at 1 April 2021 £	Income £	Transfers £	Balance at 1 April 2022 £	Income £	Balance at 31 March 2023 £
EGTC Bulding project	123,054	-	-	123,054	-	123,054
MSDC Toilet Refurbishment	-	68,125	(68,125)	-	-	-
	<u>123,054</u>	<u>68,125</u>	<u>(68,125)</u>	<u>123,054</u>	<u>-</u>	<u>123,054</u>

EGTC Building Project fund- This fund represents monies granted to the charity to carry out redevelopment work on the theatre.

Mid Sussex District Council have given the Charity a grant to be used for the purpose of refurbishing the toilets. Work was carried out on this during the year.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2021	Expenditure	Balance at 1 April 2022	Expenditure	Balance at 31 March 2023
	£	£	£	£	£
Donated Equipment	52,015	-	52,015	-	52,015
Leasehold improvements	441,327	(13,857)	427,470	(13,857)	413,613
Boiler	20,000	-	20,000	-	20,000
Theatre Seats	20,798	-	20,798	-	20,798
	<u>534,140</u>	<u>(13,857)</u>	<u>520,283</u>	<u>(13,857)</u>	<u>506,426</u>

Theatre Seats Fund, Room Chairs Fund and Screen Projector fund all represents assets purchased with designated fund income. The balances are in line with the Net Book Value of these assets.

Leasehold improvements fund represents amounts that have been spend on leasehold improvements out of the EGTC building project grant including the annual depreciation charge.

The boiler fund represents funds set aside by the Trustees to upkeep the boilers on a regular basis.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

21 Analysis of net assets between funds

	Unrestrcited Funds 2023 £	Designated Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Unrestrcited Funds 2022 £	Designated Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:								
Tangible assets	10,156	506,426	-	516,582	86,797	427,470	-	514,267
Investments	10,000	-	-	10,000	10,000	-	-	10,000
Current assets/(liabilities)	145,078	-	123,054	268,132	78,423	92,813	123,054	294,290
Long term liabilities	(27,631)	-	-	(27,631)	(37,281)	-	-	(37,281)
	<u>137,603</u>	<u>506,426</u>	<u>123,054</u>	<u>767,083</u>	<u>137,939</u>	<u>520,283</u>	<u>123,054</u>	<u>781,276</u>

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

22 Financial commitments, guarantees and contingent liabilities

Contingent Liability

The S106 grants received from Mid Sussex District Council is potentially repayable if within 14 years the theatre facility ceases to be used for leisure activities or if any other conditions of the grant are not complied with.

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	54,463	47,740

The charity has a close working relationship with East Grinstead Town Council. This body nominates the majority of trustees (see the trustees report) and provides funding to enable the charity to carry out its charitable activities. Grant income received in the year totalled £74,000 (2022: £74,000).

A subsidiary trading company Chequer Mead Trading Limited was incorporated on 15 May 2019 and began trading in September 2019. A donation of £40,990 (2022: £9,565) was made from the trading subsidiary to the charity during the year. At 31 March 2023 £38,247 was owed to the charity from the trading subsidiary.

24 Subsidiaries

These financial statements are separate charity financial statements for Chequer Mead Arts and Community Trust

Details of the charity's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Chequer Mead Trading Limited	De La Warr Road, East Grinstead, West Sussex, RH19 3BS	Hot beverages, food & catering and bar service to benefit the image of the Chequer Mead Theatre brand.	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Chequer Mead Trading Limited	-	10,000

CHEQUER MEAD ARTS AND COMMUNITY TRUST

England & Wales - Charity number 1165519

Accounts

CHEQUER MEAD ARTS AND COMMUNITY TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

CHEQUER MEAD ARTS AND COMMUNITY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Cllr. F Osborne (Chairman) Cllr. J A Mockford S G Cole (independent) Cllr. H Farren N S Gibson (independent) Cllr D Duly	(Appointed 25 May 2022)
Charity number	1165519	
Registered office	Chequer Mead Theatre De La Warr Road East Grinstead RH19 3BS	
Auditor	Darren Harding ACA FCCA DChA Richard Place Dobson Services Limited 1-7 Station Road Crawley West Sussex RH10 1HT	

CHEQUER MEAD ARTS AND COMMUNITY TRUST

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CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "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

The year 2021-2022 has been one of slow recovery and consolidation. The only period of lockdown was at the very start of the year, but the CIO has been operating with a greatly reduced staff roster following the previous year's redundancies. The Trustees took the decision to re-open for shows and events from September onwards, effectively meaning the theatre was open for half of the reporting period. Initial show bookings and ticket sales were slow, as the theatrical and local communities slowly regained their confidence.

The rest of the report should be read in this context.

The Charity's objects are:

- To advance public education by fostering and promoting for the benefit of the public the improvement and development of artistic knowledge and taste, understanding and appreciation of the arts and crafts among the inhabitants of the Area of Benefit.
- To provide and assist in the provision of community facilities for recreation and other leisure occupation of the inhabitants of the Area of Benefit in the interests of social welfare and with the object of improving their conditions of life in particular but not exclusively by the provision and maintenance of a Community Arts Centre.
- To further such other charitable purposes for the benefit of the inhabitants of the Area of Benefit as the Managing Trustees see fit from time to time.
- To contribute to the quality of life of the people of East Grinstead and the wider area by expanding their horizons through the provision of exciting, challenging and accessible professional and community arts events.

The main objectives each year are the promotion and fostering of artistic knowledge and the appreciation of the arts by the provision of facilities for the education and entertainment of the public in the fields of art, craft, music and drama.

The strategies employed to achieve the Charity's objects are to:

- Offer opportunities for a broad range of sections of the community to get involved in arts and performance activities exploring and developing their creative skills and potential;
- Provide facilities for amateur and professional artists to develop. Amateur groups are given discounted rates for hire of space and access to professional advice;
- Concentrate on involving young people in the arts to help encourage a culture in which different age ranges play a complementary parts;
- Celebrate the diversity of cultures in our society by programming presentations by, and with, artists of different cultural backgrounds, and presenting a broad range of arts works;
- Create and maintain partnerships with local organisations and partners to maintain dialogue and create new projects and opportunities.

Activities

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

In normal circumstances the three major areas of activity are: concerts and stage performances; educational programmes, and studio hires for community group rehearsals and meetings.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The artistic programme seeks to combine amateur community events together with professional events including classical plays, light opera, music, ballet, and dramatic modern performances to suit a range of public tastes with the emphasis on maintaining a popular programme, which underpins the viability of a Chequer Mead that reaches out to the community.

Following the relative but short-lived (due to a cast member's partner testing positive during the run) success of the previous year's scaled-down pantomime, 'Almost a Panto...', the Trustees decided that we would mount a full pantomime production, to be produced in-house. The annual Christmas pantomime remains Chequer Mead's flagship event, from both a financial and a community perspective.

This year's production, 'Jack and the Beanstalk', was an absolute success, generating material revenues - higher than pre-pandemic Cinderella in 2019 - and a very high level of complimentary and positive feedback from the local community. We experimented with a slightly longer run and included a 'quiet' performance aimed at community members within the autism spectrum.

The Trustees decided to continue with in-house pantomime productions, and the December 2022 pantomime, 'Aladdin', is in rehearsal.

Other production highlights of the year included Cara Dillon, the Dads Army Radio Show, Josh Widdicombe, John Lydon, The Wind in the Willows, Fairport Convention and Mark Steel. We also continued with the highly successful evening cabaret events, West End Al Fresco and the East Grinstead Jazz Club, hosted in the garden and the atrium.

The Apron Bar and Coffee House was formed and started trading in September 2019 as an in-house subsidiary trading company to provide an integrated and informal structure for the provision of hot beverages, catering and bar operations, for events and as a community provision at other times. Profits generated by the trading company are gifted to the Trust as a charitable donation. The Trustees are delighted that the trading company finished the year with a trading profit of £22,922 (previous year a loss of £ 16,820). After allowance for taxes and retention of some profits to restore the trading company's capital position, a donation of £ 9,565 has been made to the CIO by the trading subsidiary following the year end. Post-donation, the trading company's profit is now £13,357.

Despite commercial pressures to drive ticket sales from popular shows - our charitable objects dictate that we are required to provide a very wide and balanced programme of types and styles of events to suit the public needs. Therefore all programming is divided into eight different categories of: Music, Dance, Comedy, Musicals & Drama, Event Cinema, Family, Talks, Film.

Many of our Town and District primary and secondary schools have regularly used Chequer Mead Theatre for their plays and productions, at discounted hire rates. We look forward to their return.

We have hosted many amateur dramatic groups, and there are a host of amateur youth dance schools and groups that were hiring the theatre - quite often all day on a Sunday.

The East Grinstead Music & Arts Festival mounted a scaled-down event in 2022. This annual event usually takes place continuously for six whole weekends each April/May, hosting some 1,500 performing children in competition for playing instruments, singing, speech, drama, and every type of dance genre. We are planning with them for a full EGMAF event again for 2023.

The Trustees have observed different patterns of ticket sales following the return from the pandemic. Theatre-goers are now, in general, purchasing tickets for shows shortly before the event takes place: pre-pandemic we would see a much higher proportion of advance ticket sales. The new pattern makes it harder to gauge the success of an event until it takes place, although ticket sales generally are close to pre-pandemic levels.

Volunteers and Friends

The very loyal band of fifty core volunteers continue to provide a marvelous service to Chequer Mead operating the box office, as theatre stewards, working behind the bar and selling ice cream. Bar activities are now held within the trading subsidiary, and use of volunteers there has ceased.

Chequer Mead Premium Club was slowly growing pre-pandemic: for a modest yearly membership fee members enjoy a range of benefits such as ticket discounts, as well as organised coach visits to West End shows.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

General Manager and staffing

The Trustees would like to extend their heartfelt thanks to the General Manager and all of the energetic current and former staff, for their efforts and dedication during the year. Following redundancies in 2020-2021, the CIO has operated for most of the year on skeleton staff levels (=3 FTE) whilst gradually re-opening for business. The recruitment process started towards the end of 2021 and four further staff have now been recruited (after the financial year-end) to bring the CIO back to normal operation.

Staffing for the trading company remains a continuing challenge, in common with the rest of the hospitality industry.

The General Manager and long-standing and new staff members continue to prioritise the safety and well-being of our staff and customers, whilst looking forward to building a new and engaging event schedule. With staffing now in place we can strengthen and restore our outreach to the community, as well as re-focusing on necessary improvements to the fabric of the building. During this challenging period the Trustees have continued to take a particular interest in the mental well-being of our staff, and continue to offer support.

Capital Investment and building works

The Trust remains a tenant at Chequer Mead, with the freehold being held by East Grinstead Town Council. The Trustees' continuing objective is to improve or enhance the property where this either increases the attractiveness to community patrons (as with the upgraded toilets) or provides a clear cost benefit to the Trust (the previously installed solar panels), with the spin-off benefit that the community ultimately owns an asset of which the value is maintained and enhanced.

Marketing and Branding

The Trustees' objective is to deliver more effective and innovative marketing in order to promote the brand further and to attract more agents, promoters, acts, hirers, community groups, amateur dramatic groups etc - as well as to drive this process into increased tickets sales and revenue.

Looking forward, Facebook, digital marketing and targeted emails have continued this year and will intensify however the two main traditional marketing tools remain the website and the Events Brochure of which three are produced each year (Jan to April/ May to August/ September to December). The Events Brochure for the September to December period has been produced and mailed to approximately 60,000 households within the broader catchment, not just to East Grinstead but now also to Crawley, Edenbridge, and Sevenoaks.

Online sales for the year reached a new high of 76% of all sales for the year, which seems a continuing trend post-pandemic.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Financial review

During the year the Trust made a loss of £26,267 (previous year's loss £65,588). This reflects the situation where the theatre effectively hosted no events for the first half of the financial year.

The building has unavoidable base-line costs, whether or not revenue is generated from events, from mandatory maintenance to insurance. The installation of solar panels has helped to defray energy costs during the financial year and going forward, which is of some help in current circumstances. The Trustees are grateful to East Grinstead Town Council for their continued support and annual grant. Chequer Mead normally receives no other grants that support core running costs and has to earn income to enable the theatre to be self-supporting in normal times.

The Trust will continue to make applications to grant funding bodies to improve our existing facilities. Project funding will also be pursued to continue our programme of arts development and youth projects which were proving a popular addition to our work. During the year Chequer Mead received £68,125 in grant funding from Mid Sussex District Council for the toilet refurbishment project, which has now been completed to a high standard. The Trustees are grateful to MSDC for their continuing support.

During the previous year the government underwrote the offering of 'bounce back loans' through the High Street UK banks. We had successfully obtained loans of £50,000 each for the Charity and the trading company, which after an interest-free period, are now charging a very low rate of interest. We have been repaying approximately £850 per month, which is obviously reflected in the result for the period. The balance at the year-end for the Charity stands at £37,281 including interest.

The Trustees have established the level of reserves, which is those funds that are freely available, and consider that the ideal level of reserves would be £250,000. The actual reserves at 31 March 2022 were £128,374 and it is the Trustees' view that it is prudent to ensure that there are sufficient reserves to provide financial flexibility over the course of the forthcoming financial year.

The reserves policy is currently under review and will be amended as appropriate in the current financial year.

Whilst the Trustees are budgeting for a return to near-breakeven for the year 2022-2023, we face (in common with the rest of the country) uncertainties around costs, particularly in respect of energy and logistics: we also face uncertainty in respect of the potential impact of inflation and interest rates on the discretionary spending of the theatre-going public and room hirers. We remain comfortable that we have adequate reserves to cover the charity against unforeseen and indeterminate rises in costs and/or reductions in revenue for the coming year.

Plans for future periods

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Future Plans

Chequer Mead's objectives for 2022/23 include the following:

- Maintain tight budgetary control
- Continue to source new revenue streams
- Continue to attract higher profile mainstream acts
- Present the annual pantomime production in-house again
- Bring back studio hirers and attract new hirers
- Further develop the success of The Apron offering
- Continue to invest in the professionalism and well-being of our staff team
- Drive up theatre revenue through show and ticket sales volume growth, competitive pricing, and improved contract arrangements
- Sustain and enhance marketing intensity and brand awareness
- Continue to invest in the building infrastructure where cost-effective
- Identify and manage risks to our activities in the 'new normal' on a dynamic basis

Structure, governance and management

It is important to emphasise that the Chequer Mead Arts and Community Trust (a Charitable Incorporated Organisation) is a totally separate and independent legal and trading entity from East Grinstead Town Council: the Town Council is the landlord and freehold site and building owner, and appoints the majority of Trustees.

Chequer Mead Arts and Community Trust is legally bound principally by the Charities Act 2011 - and is required to report directly to the Charities Commission with an Annual Report including yearly accounts - as well as periodically on other administrative matters.

The Trust's affairs are overseen by the Board of Trustees. There is a mix of Council-appointed Trustees and Independent Trustees, and the Trust's affairs are governed by its written Constitution which was revised and re-adopted shortly after the year-end. Changes were to revise governance, but not the charity's objectives or operations. The Trustees meet monthly. Nominees appointed by East Grinstead Town Council are subject to the appointment process of this body and the guidelines on appointment to public office as they apply to local government nominees. Independent Trustees are nominated, vetted and interviewed by the Board prior to appointment. All appointments are for fixed terms.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Cllr. F Osborne (Chairman)

Cllr R Whittaker

(Resigned 21 July 2021)

Cllr. J A Mockford

S G Cole (independent)

Cllr. H Farren

N S Gibson (independent)

Cllr. F Visser

(Resigned 1 April 2022)

Cllr D Duly

(Appointed 25 May 2022)

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Board decisions are usually unanimous. In the event of a disagreement decisions are put to a vote of a simple majority, with dissenting views recorded in the Minutes. The Chairman has the casting vote.

The day-to-day running of the Trust is the responsibility of the General Manager, who is accountable to the Board of Trustees and reports to the Board at each monthly meeting on operational and financial issues. Each year the General Manager produces a detailed budget in conjunction with the Trustees, and reports on performance against budget each month.

Detailed policies are in place for discharging all mandatory responsibilities (e.g. Health and Safety, Diversity, Safeguarding etc).

Risk management

The Board and General Manager has a risk management strategy that comprises:

- Identifying and recording the risks that the Charity may face in a detailed risk register.
- The establishment of policies, systems and procedures to mitigate those risks.
- The implementation of procedures designed to minimise any potential impact of the Charity should those risks materialise.
- Particular attention has been given by the Trustees to non-financial risks arising from health and safety and artistic programmes.
- A key element in the management of the financial risk is the setting of a reserves policy and its regular review by all Trustees.
- The risk register is frequently reviewed

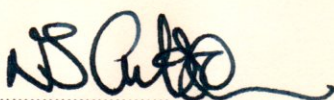
Conclusion

Following the most challenging year in the CIO's history, and despite a further challenging first half of 2021-22, we are now well positioned to take full advantage of the current environment. The theatre has an expanding programme of events, and The Apron remains a popular destination for the community: clubs and community organisations are booking rooms again.

The General Manager and the staff have performed remarkably well in unprecedented circumstances, and have the Board's wholehearted thanks. The integration of new staff into the team following the year end puts us in a position to operate at pre pandemic levels, and we welcome them to the team.

The Trustees are realistic that it will still take some time to get back to the position we were in before the pandemic struck, but share a determination to get there whilst continuing to serve our community and meet their needs.

The Trustees' report was approved by the Board of Trustees.



N S Gibson (independent)
Trustee

Date: 22/12/2022

CHEQUER MEAD ARTS AND COMMUNITY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

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

The law applicable to charities in England and Wales 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 of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CHEQUER MEAD ARTS AND COMMUNITY TRUST

Opinion

We have audited the financial statements of Chequer Mead Arts and Community Trust (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHEQUER MEAD ARTS AND COMMUNITY TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, the audit engagement team made enquiries of management, and those charged with governance, regarding the procedures relating to identifying, evaluating and complying with;

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, General Data Protection Regulations, Charities Act 2011, Charities Statement of Recommended Practice and employment law and regulations. We performed audit procedures to detect non-compliance, which may have a material impact on the financial statements. These included reviewing financial statement disclosures and evaluating advice received from external advisors. There were no significant laws and regulations we deemed as having an indirect impact on the financial statements.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHEQUER MEAD ARTS AND COMMUNITY TRUST

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the rationale in relation to any significant, unusual transactions and transactions entered into outside of the normal course of business.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Place Dobson Services Limited

Chartered Accountants

Statutory Auditor

1 - 7 Station Road,

Crawley

West Sussex

RH10 1HT

.29 December 2022

Richard Place Dobson Services Limited are eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Current financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes					
<u>Income and endowments from:</u>						
Donations and grants	3	114,009	-	68,125	182,134	224,497
<u>Charitable activities</u>						
In House Productions	4	124,008	-	-	124,008	9,515
Theatre operations	4	8,586	-	-	8,586	1,252
Studio Hire	4	25,201	-	-	25,201	8,638
Tenant income	4	43,751	-	-	43,751	20,982
Investments	5	1,692	-	-	1,692	1,692
Other income	6	4,379	-	-	4,379	242
Total income		321,626	-	68,125	389,751	266,818
<u>Expenditure on:</u>						
<u>Raising funds</u>						
<u>Charitable activities</u>						
Theatre operations	7	400,727	13,857	-	414,584	332,406
Total charitable expenditure		400,727	13,857	-	414,584	332,406
Other	11	1,434	-	-	1,434	-
Total resources expended		402,161	13,857	-	416,018	332,406
Net (outgoing)/incoming resources before transfers		(80,535)	(13,857)	68,125	(26,267)	(65,588)
Net (outgoing)/incoming resources before transfers		(80,535)	(13,857)	68,125	(26,267)	(65,588)
Gross transfers between funds		68,125	-	(68,125)	-	-
Net expenditure for the year/ Net movement in funds		(12,410)	(13,857)	-	(26,267)	(65,588)
Fund balances at 1 April 2021		150,349	534,140	123,054	807,543	842,041
Fund balances at 31 March 2022		137,939	520,283	123,054	781,276	776,453

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

All income and expenditure derive from continuing activities.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Prior financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes				
<u>Income and endowments from:</u>					
Donations and grants	3	173,547	-	50,950	224,497
<u>Charitable activities</u>					
In House Productions	4	9,515	-	-	9,515
Theatre operations	4	1,252	-	-	1,252
Studio Hire	4	8,638	-	-	8,638
Tenant income	4	20,982	-	-	20,982
Investments	5	1,692	-	-	1,692
Other income	6	242	-	-	242
Total income		<u>215,868</u>	<u>-</u>	<u>50,950</u>	<u>266,818</u>
<u>Expenditure on:</u>					
<u>Raising funds</u>					
<u>Charitable activities</u>					
Theatre operations	7	311,147	21,259	-	332,406
Total charitable expenditure		<u>311,147</u>	<u>21,259</u>	<u>-</u>	<u>332,406</u>
Total resources expended		<u>311,147</u>	<u>21,259</u>	<u>-</u>	<u>332,406</u>
Net (outgoing)/incoming resources before transfers		(95,279)	(21,259)	50,950	(65,588)
Gross transfers between funds		(11,468)	67,418	(55,950)	-
Net expenditure for the year/ Net movement in funds		(106,747)	46,159	(5,000)	(65,588)
Fund balances at 1 April 2020		<u>257,095</u>	<u>487,981</u>	<u>128,054</u>	<u>842,041</u>
Fund balances at 31 March 2021		<u>119,259</u>	<u>534,140</u>	<u>123,054</u>	<u>776,453</u>

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

All income and expenditure derive from continuing activities.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

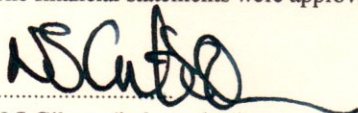
BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		514,267		540,490
Investments	13		10,000		10,000
			<u>524,267</u>		<u>550,490</u>
Current assets					
Debtors	14	47,847		36,947	
Cash at bank and in hand		421,314		282,956	
		<u>469,161</u>		<u>319,903</u>	
Creditors: amounts falling due within one year	16	(174,871)		(47,489)	
Net current assets			294,290		272,414
Total assets less current liabilities			818,557		822,904
Creditors: amounts falling due after more than one year	17		(37,281)		(46,451)
Net assets			<u>781,276</u>		<u>776,453</u>
Income funds					
Restricted funds	18		123,054		123,054
<u>Unrestricted funds</u>					
Designated funds	19	520,283		534,140	
General unrestricted funds		137,939		119,259	
		<u>658,222</u>		<u>653,399</u>	
			<u>781,276</u>		<u>776,453</u>

The financial statements were approved by the Trustees on

16/11/2022



N S Gibson (independent)
Trustee

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Chequer Mead Arts and Community Trust is a registered Charitable Incorporated Organisation (CIO).

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Preparation of Consolidated Financial Statements

The financial statements contain information about Chequer Mead Arts and Community Trust as an individual charity and do not contain consolidated financial information as the parent of a group. The Charity is exempt from the requirement to prepare consolidated accounts on the basis it qualifies as a small group.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated Funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Grant income provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when admission fees or performance related grants are received in advance of the performance or event to which they relate.

Income from bar and ice cream sales is recognised as earned (as the related goods and services are provided).

Investment income is recognised on a receivables basis.

Activities in furtherance of charitable objects includes theatre operations, studio hire, in-house productions and tenant income. Charitable income is recognised on the date of the performance or as the room is hired.

Donations and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

Other Income

Other income consists of Spektrix commissions, income from marketing and postage and income from the premium club. It is recognised in the accounts when the charity has earned entitlement to the income, it is probable the income will be received and the amount can be reliably measured.

Legacy Income

For Legacies entitlement is taken at earlier of:

- the date on which the charity is aware that probate has been granted.
- the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made.
- when distribution is received from the estate.

Receipt of a legacy, is whole or in part, is only considered probable when the amount can be reliably measured and the charity has been notified of the executor's intention to make distribution. Where legacies have been notified to the charity, or the charity is aware of granting probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Liabilities are recognised as expenditure as soon as there is 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.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include governance costs. These costs have been allocated between the different charitable activities on a percentage basis. The bases on which support costs have been allocated are set out in note 8.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £1,000 are capitalised at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	Over the term of the lease
Fixtures, fittings & equipment	10-33% p.a. straight line
Computers	10-33% p.a. straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discount offered.

Basic financial liabilities

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors and provisions are normally recognised at their settlement value after allowing for any discounts offered.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is not subject to corporation tax or any other taxes on income or gains arising from its charitable objectives.

1.11 Employee benefits

The costs of short term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

Post 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.

1.13 Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.14 Operating Leases

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Donated assets

Goods donated for on-going use by the charity in carrying out its activities are recognised as tangible fixed assets with the corresponding gain recognised as income from donations when goods are above the charities capitalisation limit of £1,000. Donated goods are measured at their fair value.

Volunteer time

The charity makes use of volunteers in carrying out the charitable activities. It is impractical to value the costs of the volunteer involved. No amount for volunteer time are included within the accounts.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and grants

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	39,176	-	39,176	3,022	1,000	4,022
Grants	74,833	68,125	142,958	170,525	49,950	220,475
	<u>114,009</u>	<u>68,125</u>	<u>182,134</u>	<u>173,547</u>	<u>50,950</u>	<u>224,497</u>
Grants receivable for core activities						
EGTC Grant	-	-	-	74,000	-	74,000
MSDC Toilet refurbishment grant	-	-	-	-	49,950	49,950
MSDC National restriction Grant	-	-	-	3,000	-	3,000
Other	74,833	68,125	142,958	93,525	-	93,525
	<u>74,833</u>	<u>68,125</u>	<u>142,958</u>	<u>170,525</u>	<u>49,950</u>	<u>220,475</u>

4 Charitable activities

	In House Productions 2022 £	Theatre operations 2022 £	Studio Hire 2022 £	Tenant income 2022 £	Total 2022 £	Total 2021 £
Income from charitable activities	124,008	8,586	25,201	43,751	201,546	40,387

For the year ended 31 March 2021

	In House Productions £	Theatre operations £	Studio Hire £	Tenant income £	Total 2021 £
Income from charitable activities	9,515	1,252	8,638	20,982	40,387
Analysis by fund					
Unrestricted funds - general	9,515	1,252	8,638	20,982	40,387

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

5 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Deposit account interest	1,692	1,692

6 Other income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Postage	3,377	142
Premium Club	1,002	100
	4,379	242

7 Charitable activities

	Theatre operations 2022 £	Theatre operations 2021 £
Staff costs	137,226	172,827
Depreciation and impairment	32,561	34,756
Production & Events management	53,629	37,065
Advertising	31,866	4,692
IT, Repairs & Maintenance	28,799	28,961
Daily running costs	113,827	35,695
	397,908	313,996
Share of governance costs (see note 8)	16,676	18,410
	414,584	332,406
Analysis by fund		
Unrestricted funds - general	400,727	311,147
Unrestricted funds - designated	13,857	21,259
	414,584	332,406

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Support costs

	Support costs	Governance costs	2022	2021
	£	£	£	£
Audit fees	-	2,750	2,750	5,000
Accountancy	-	8,735	8,735	9,625
Legal and professional	-	5,191	5,191	3,785
	-	16,676	16,676	18,410
Analysed between				
Charitable activities	-	16,676	16,676	18,410

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year and none of them were reimbursed any expenses (2021- no expenses were reimbursed).

10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Theatre management	1	2
Technical staff	6	7
Administration	4	4
Total	11	13

Employment costs

	2022 £	2021 £
Wages and salaries	126,449	160,758
Social security costs	7,914	8,981
Other pension costs	2,395	3,088
	136,758	172,827

There were no employees whose annual remuneration was more than £60,000.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Other

	Unrestricted funds general 2022	Total £ 2021
Net loss on disposal of tangible fixed assets	1,434	-
	<u>1,434</u>	<u>-</u>

12 Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings & equipment £	Computers £	Total £
Cost				
At 1 April 2021	486,210	198,188	13,274	697,672
Additions	-	6,634	1,137	7,771
Disposals	-	(20,320)	-	(20,320)
	<u>486,210</u>	<u>184,502</u>	<u>14,411</u>	<u>685,123</u>
At 31 March 2022	486,210	184,502	14,411	685,123
Depreciation and impairment				
At 1 April 2021	26,179	102,961	9,338	138,478
Depreciation charged in the year	32,561	17,173	1,531	51,265
Eliminated in respect of disposals	-	(18,887)	-	(18,887)
	<u>58,740</u>	<u>101,247</u>	<u>10,869</u>	<u>170,856</u>
At 31 March 2022	58,740	101,247	10,869	170,856
Carrying amount				
At 31 March 2022	<u>427,470</u>	<u>83,255</u>	<u>3,542</u>	<u>514,267</u>
At 31 March 2021	<u>387,738</u>	<u>95,227</u>	<u>3,936</u>	<u>540,490</u>

13 Fixed asset investments

	Other investments
Cost or valuation	
At 1 April 2021 & 31 March 2022	10,000
Carrying amount	
At 31 March 2022	<u>10,000</u>
At 31 March 2021	<u>10,000</u>

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

13 Fixed asset investments (Continued)

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	24	10,000	10,000

14 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	6,593	7,272
Amounts owed by subsidiary undertakings	9,565	12,775
Other debtors	5,892	6,027
Prepayments and accrued income	25,797	10,873
	47,847	36,947

15 Loans and overdrafts

	2022 £	2021 £
Other loans	46,857	50,000
Payable within one year	9,576	3,549
Payable after one year	37,281	46,451

The bounce back loan with Natwest bank was taken out during the Covid-19 pandemic. The amount borrowed was the max available of £50,000 at a fixed interest rate of 2.5%.

The loan which is repayable fully within 5 years had no interest charged in the first year and thereafter charged at the applicable rate above.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

16 Creditors: amounts falling due within one year

	2022 £	2021 £
Borrowings	9,576	3,549
Other taxation and social security	192	2,176
Trade creditors	48,219	4,402
Amount owed to parent undertaking	-	(4,436)
Amounts owed to subsidiary undertakings	16,733	-
Other creditors	411	-
Accruals and deferred income	99,740	41,798
	<u>174,871</u>	<u>47,489</u>

17 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Borrowings	<u>37,281</u>	<u>46,451</u>

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020 £	Movement in funds		Balance at 1 April 2021 £	Movement in funds		Balance at 31 March 2022 £
		Income £	Transfers £		Income £	Transfers £	
EGTC Bulding project	123,054	-	-	123,054	-	-	123,054
Community Toilet Sceme	5,000	1,000	(6,000)	-	-	-	-
MSDC Toilet Refurbishment	-	49,950	(49,950)	-	68,125	(68,125)	-
	<u>128,054</u>	<u>50,950</u>	<u>(55,950)</u>	<u>123,054</u>	<u>68,125</u>	<u>(68,125)</u>	<u>123,054</u>

Community Toilet Scheme Fund - This represents a grant from Mid Sussex District Council towards the community Toilet Scheme Fund.

EGTC Building Project fund- This fund represents monies granted to the charity to carry out redevelopment work on the theatre.

Mid Sussex District Council have give the Charity a grant to be used for the purpose of refurbishing the toilets. Work was carried out on this during the year.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2020	Expenditure	Transfers	Balance at 1 April 2021	Expenditure	Balance at 31 March 2022
	£	£	£	£	£	£
Donated Equipment	59,445	(7,430)	-	52,015	-	52,015
Leasehold improvements	387,738	(13,829)	67,418	441,327	(13,857)	427,470
Boiler	20,000	-	-	20,000	-	20,000
Theatre Seats	20,798	-	-	20,798	-	20,798
	<u>487,981</u>	<u>(21,259)</u>	<u>67,418</u>	<u>534,140</u>	<u>(13,857)</u>	<u>520,283</u>

Theatre Seats Fund, Room Chairs Fund and Screen Projector fund all represents assets purchased with designated fund income. The balances are in line with the Net Book Value of these assets.

Leasehold improvements fund represents amounts that have been spend on leasehold improvements out of the EGTC building project grant including the annual depreciation charge.

The boiler fund is funds set aside by the Trustees to upkeep the boilers on a regular basis.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

20 Analysis of net assets between funds

	Unrestricted Funds 2022 £	Designated Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Unrestricted Funds 2021 £	Designated Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:								
Tangible assets	86,797	427,470	-	514,267	47,148	493,342	-	540,490
Investments	10,000	-	-	10,000	10,000	-	-	10,000
Current assets/(liabilities)	78,423	92,813	123,054	294,290	102,562	40,798	129,054	272,414
Long term liabilities	(37,281)	-	-	(37,281)	(46,451)	-	-	(46,451)
	<u>137,939</u>	<u>520,283</u>	<u>123,054</u>	<u>781,276</u>	<u>113,259</u>	<u>534,140</u>	<u>129,054</u>	<u>776,453</u>

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

21 Financial commitments, guarantees and contingent liabilities

Contingent Liability

The S106 grants received from Mid Sussex District Council is potentially repayable if within 14 years the theatre facility ceases to be used for leisure activities or if any other conditions of the grant are not complied with.

22 COVID 19

At the reporting date the trustees have assessed the impact of Covid-19 on the results reported for the financial year ended 31 March 2022 and consider that the results reflect any adverse conditions as at that date.

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022	2021
	£	£
Aggregate compensation	47,740	41,804

The charity has a close working relationship with East Grinstead Town Council. This body nominates the majority of trustees (see the trustees report) and provides funding to enable the charity to carry out its charitable activities. Grant income received in the year totalled £74,000 (2021: £74,000).

A subsidiary trading company Chequer Mead Trading Limited was incorporated on 15 May 2019 and began trading in September 2019. A donation of £9,565 (2020: £0) was made from the trading subsidiary to the charity during the year. At 31 March 2022 £7,168 was owed to the trading subsidiary from the charity.

24 Subsidiaries

These financial statements are separate charity financial statements for Chequer Mead Arts and Community Trust

Details of the charity's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Chequer Mead Trading Limited	De La Warr Road, East Grinstead, West Sussex, RH19 3BS	Hot beverages, food & catering and bar service to benefit the image of the Chequer Mead Theatre brand.	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£

Accounts

CHEQUER MEAD ARTS AND COMMUNITY TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

CHEQUER MEAD ARTS AND COMMUNITY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Cllr. F Osborne (Chairman) Cllr. J A Mockford S G Cole (independent) Cllr. H Farren N S Gibson (independent) Cllr. F Visser	(Appointed 1 April 2020)
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Charity number	1165519
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Registered office	Chequer Mead Theatre De La Warr Road East Grinstead RH19 3BS
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Auditor	Darren Harding ACA FCCA DChA Richard Place Dobson Services Limited 1-7 Station Road Crawley West Sussex RH10 1HT
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CHEQUER MEAD ARTS AND COMMUNITY TRUST

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CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their annual report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "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

Chequer Mead has, in common with community and entertainment venues throughout the UK, faced the most challenging period in its history due to the pandemic. The entirely necessary lockdowns and government restrictions during the reporting period have forced the Trust (with the theatre and community centre largely shut down) to focus on survival through prudent management in order to enable us still to continue to provide a valued community asset as restrictions ease, and to continue to comply with our charitable objects going forward. Facilities and grants arranged by the government (directly and via the Arts Council and banks) together with the continued and vital support from Mid Sussex District Council and East Grinstead Town Council, have enabled Chequer Mead to remain in business as a going concern. Hard decisions have been taken by the Trustees and the General Manager, and the Trustees wish to place on record their appreciation of the achievements of the every member of staff during these dark times.

The rest of the report should be read in this context.

The Charity's objects are:

- To advance public education by fostering and promoting for the benefit of the public the improvement and development of artistic knowledge and taste, understanding and appreciation of the of the arts and crafts among the inhabitants of the Area of Benefit.
- To provide and assist in the provision of community facilities for recreation and other leisure occupation of the inhabitants of the Area of Benefit in the interests of social welfare and with the object of improving their conditions of life in particular but not exclusively by the provision and maintenance of a Community Arts Centre.
- To further such other charitable purposes for the benefit of the inhabitants of the Area of Benefit as the Managing Trustees see fit from time to time.
- To contribute to the quality of life of the people of East Grinstead and the wider area by expanding their horizons through the provision of exciting, challenging and accessible professional and community arts events.

The main objectives each year are the promotion and fostering of artistic knowledge and the appreciation of the arts by the provision of facilities for the education and entertainment of the public in the fields of art, craft, music and drama.

The strategies employed to achieve the Charity's objects are to:

- Offer opportunities for a broad range of sections of the community to get involved in arts and performance activities exploring and developing their creative skills and potential;
- Provide facilities for amateur and professional artists to develop. Amateur groups are given discounted rates for hire of space and access to professional advice;
- Concentrate on involving young people in the arts to help encourage a culture in which different age ranges play a complementary parts;
- Celebrate the diversity of cultures in our society by programming presentations by, and with, artists of different cultural backgrounds, and presenting a broad range of arts works;
- Create and maintain partnerships with local organisations and partners to maintain dialogue and create new projects and opportunities.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

In normal circumstances the three major areas of activity are: concerts and stage performances; educational programmes, and studio hires for community group rehearsals and meetings.

The artistic programme seeks to combine amateur community events together with professional events including classical plays, light opera, music, ballet, and dramatic modern performances to suit a range of public tastes with the emphasis on maintaining a popular programme, which underpins the viability of Chequer Mead that reaches out to the community.

The pandemic restrictions during the financial year left the Trustees no choice but to close the theatre and studios for almost the entire period. The notable exception to this was the in-house, scaled back pantomime production, "Almost a Panto...", which received universal acclaim during its short run. The Trustees and General Manager committed to the three-hander with a basic set as a service to the community - pantomime has always been Chequer Mead's flagship event - with a capped potential loss balanced against our charitable objects. Full COVID-compliant social distancing, testing and hygiene measures were maintained throughout the Atrium and Auditorium at all times, with limited, distanced seating available. Regrettably a close relative of a cast member tested positive for COVID after 11 performances, leaving the Trustees no choice but to cancel the remaining performances and offer refunds to ticket holders. The event caused a loss of approximately £6,000 (against the Trustees' cap of £12,000) due to the cancellation and refunds. The Trustees were fully aware of, and accepted, the risk of this happening. The feedback from those who were able to attend performances confirmed that this has been worthwhile, and a material number of ticket holders for performances after cancellation were happy to donate the ticket cost, rather than take a refund.

When lockdown restrictions were initially eased we offered fortnightly cinema presentations in the auditorium. This did not attract sufficient audiences during a period of public caution to justify the costs, and so we ceased offering the events.

The Apron Bar and Coffee House was formed and started trading in September 2019 as an in-house subsidiary trading company to provide an integrated and informal structure for the provision of hot beverages, catering and bar operations, for events and as a community provision at other times. Profits generated by the trading company are gifted to the Trust as a charitable donation. In the circumstances, no such donation will be possible this year. The Apron was very successful in its first 6 months of operation in the previous year, and is highly valued by the local community, but entered this year in lockdown. There were periods during the financial year when restrictions were eased sufficiently to enable The Apron to open (albeit temporarily) with an entirely different operating model - social distancing, table service. We were also able to offer cabaret style events on selected weekend nights in the garden or inside the atrium, to go as far as possible to fulfilling our community objectives.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

With the current lowering of restrictions by Her Majesty's Government the Trustees and General Manager had been planning for a full re-opening in September 2021, which has now taken place. Due to uncertainties within the performer environment, booking acts was initially difficult during the planning period but this is now gathering pace as confidence returns.

Following the success of 'Almost a Panto...' (despite its prematurely short run) the Trustees propose to present a full pantomime in December 2021, to be produced in-house. 'Almost a Panto...' demonstrated our ability to produce a successful and well-received offering in difficult circumstances, and in-house production offers significant cost savings compared with an external production. Planning, including engaging performers and commissioning the script, is now near complete and marketing has commenced, with steady early ticket sales.

Despite commercial pressures to drive ticket sales from popular shows - our charitable objects dictate that we are required to provide a very wide and balanced programme of types and styles of events - to suit the public needs. Therefore all programming is divided into eight different categories of: Music, Dance, Comedy, Musicals & Drama, Event Cinema, Family, Talks, Film.

Many of our Town and District primary and secondary schools have regularly used Chequer Mead Theatre for their plays and productions, at discounted hire rates. We look forward to their return.

We have hosted many amateur dramatic groups, and there are a host of amateur youth dance schools and groups that were hiring the theatre - quite often all day on a Sunday. Equally, we are confident of their return, and are very pleased to have received a number of bookings already.

Regrettably, the organisers of the spring highlight that is The East Grinstead Music & Arts Festival had no choice but to cancel for 2021. This annual event takes place continuously for six whole weekends each April/May, hosting some 1,500 performing children in competition for playing instruments, singing, speech, drama, and every type of dance genre. We look forward to their return.

The Trustees anticipate an early return to successful trading now that restrictions have eased.

Volunteers and Friends

In normal circumstances the very loyal band of fifty core volunteers continue to provide a marvellous service to Chequer Mead operating the box office, as theatre stewards, working behind the bar and selling ice cream. With the restrictions there was no call to use volunteers during the financial year, but we retained contact with them through e-mails and Zoom calls, and they are already returning to offer support to current and future events. Bar activities are now held within the trading subsidiary, and use of volunteers there has ceased.

The Costume Store has been a traditional part of Chequer Mead for many years and their small but loyal team of volunteers provided a good service and some revenue income pre-lockdown. However, as demand vanished, the volunteers took the decision to close the Costume Store permanently: the Trustees agreed, partly in order to avoid further costs.

Chequer Mead Premium Club was slowly growing pre-lockdown: for a modest yearly membership fee members enjoy a range of benefits such as ticket discounts, as well as organised coach visits to West End shows. We anticipate that growth will restart now that the theatre is back in operation.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

General Manager and staffing

The Trustees would like to extend their heartfelt thanks to the General Manager and all of the young and energetic current and former staff, for their efforts and dedication during this most difficult year.

Regrettably, as the furlough scheme was due to come to an end, with no sign at the time of any imminent possibility to re-open the theatre for events and performances, the Trustees had no responsible choice but to consider making redundancies. A full consultation process was held with at-risk staff, which resulted in three staff sadly being made redundant in November/December.

The General Manager and remaining staff members have done a remarkable job of keeping the theatre safe, compliant and operable during the year as we have looked forward to re-opening in September, and we are filling gaps in staffing as we return to full operations. During this challenging period the Trustees have taken a particular interest in the mental well-being of our staff, and continue to offer support.

Capital Investment and building works

The ageing mens', women's and disabled toilet facilities at Chequer Mead have been completely refurbished and modernised during lockdown, generating significant positive feedback from patrons and visitors. The cost of these works was approximately £60,000, which was almost entirely met with a capital grant from MSDC, applied for in the previous tax year, for which the Trustees are especially grateful.

The Trust remains a tenant at Chequer Mead, with the freehold being held by East Grinstead Town Council. The Trustees' continuing objective is to improve or enhance the property where this either increases the attractiveness to community patrons (as with the toilets) or provides a clear cost benefit to the Trust (the previously installed solar panels), with the spin-off benefit that the community ultimately owns an asset of which the value is maintained and enhanced.

Marketing and Branding

The Trustees' objective is to deliver more effective and innovative marketing in order to promote the brand further and to attract more agents, promoters, acts, hirers, community groups, am drams etc - as well as to drive this process into increased tickets sales and revenue.

During the financial year we had very few events to market - principally 'Almost a Panto...' and the cinema presentations. Marketing around the pantomime substitute fed into public demand and lead to very successful ticket sales: during the period our marketing was concentrated on social media. We undertook a mail drop to advertise the cinema presentations and pantomime and to reassure the community that Chequer Mead was still here and would remain. Beyond that our social media marketing efforts had focused on The Apron - when practical and permitted to open - as a community facility, with very positive results.

Looking forward, Facebook, digital marketing and targeted emails have continued this year and will intensify - however the two main traditional marketing tools remain the website (which has approaching 50% online ticket sales) - and the Events Brochure - of which three are produced each year (Jan to April/ May to August/ September to December). The Events Brochure for the September to December period has been produced and mailed to approximately 50,000 households within the broader catchment, not just to East Grinstead - but now also to Crawley, Edenbridge, Sevenoaks, Uckfield, Horsham and Redhill.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Financial review

During the year the Trust received virtually no revenues from events or studio hire due to the pandemic. The Trustees continually reviewed activities, staffing and recurring costs with the General Manager in order to take actions to minimise our anticipated loss for the year wherever practicable. Costs for the year were significantly lower than budget, but revenues were almost non-existent, leading to an inevitable loss for the period.

Any building of this type has unavoidable base-line costs, from mandatory maintenance to insurance and all stops in-between. The Trustees are grateful to East Grinstead Town Council for their continued support and annual grant. Chequer Mead normally receives no other grants that support core running costs and has to earn income to enable the theatre to be self-supporting in normal times.

We applied for a grant from the Arts Council in the first round of government funding which was, without explanation, declined. We made a further application when the second Arts Council round opened which, with the support of our local MP, was successful. Chequer Mead was granted £73,525.

We are applying for a further grant in the third and final funding round.

We were also able to access ad hoc grants offered by MSDC to support local businesses during the pandemic, for which we are very grateful.

The Trust will continue to make applications to grant funding bodies to improve our existing facilities. Project funding will also be pursued to continue our programme of arts development and youth projects which were proving a popular addition to our work.

During the year the government underwrote the offering of 'bounce back loans' through the High Street UK banks. We successfully obtained loans of £50,000 each for the Charity and the trading company, which are repayable in just over 5 years and, after an interest-free period, are now charging a very low rate of interest. These are repayable at any time without penalty.

We used Her Majesty's Government's furlough arrangements whilst these remained available in order to retain staff for as long as possible, which covered a significant proportion of our staff costs for eligible staff during the relevant period. However, even with furlough, retaining staff still carried a material overhead which, given the lack of work, caused the Trustees - with great sadness - to make some redundancies to try to ensure the Charity's survival.

The Trustees have established the level of reserves, which is those funds that are freely available, and consider that the ideal level of reserves would be £250,000. The actual reserves at 31 March 2021 were £151,523 and it is the Trustees' view that it is prudent to ensure that there are sufficient reserves to provide financial flexibility over the course of the forthcoming financial year.

The reserves policy is currently under review and will be amended as appropriate.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Risk management

The Board and General Manager has a risk management strategy that comprises:

- Identifying and recording the risks that the Charity may face in a detailed risk register.
- The establishment of policies, systems and procedures to mitigate those risks.
- The implementation of procedures designed to minimise any potential impact of the Charity should those risks materialise.
- Particular attention has been given by the Trustees to non-financial risks arising from health and safety and artistic programmes.
- A key element in the management of the financial risk is the setting of a reserves policy and its regular review by all Trustees.
- The risk register is frequently reviewed, and is currently being updated to reflect new risks identified as a result of COVID.

Plans for future periods

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Future Plans

- Maintain tight budgetary control
- Continue to source new revenue streams
- Continue to attract higher profile mainstream acts
- Bring the annual pantomime production in-house successfully
- Bring back studio hirers and attract new hirers
- Further develop the success of The Apron offering
- Drive up theatre revenue through show and ticket sales volume growth and improved contract arrangements
- Sustain marketing intensity and brand awareness
- Continue to invest in the building infrastructure where cost-effective
- Identify and manage risks to our activities in the 'new normal' on a dynamic basis

Structure, governance and management

It is important to emphasise that the Chequer Mead Arts and Community Trust (a Charitable Incorporated Organisation) is a totally separate and independent legal and trading entity from East Grinstead Town Council: the Town Council is the landlord and freehold site and building owner, and appoints the majority of Trustees.

Chequer Mead Arts and Community Trust is legally bound principally by the Charities Act 2011 - and is required to report directly to the Charities Commission with an Annual Report including yearly accounts - as well as periodically on other administrative matters.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The Trust's affairs are overseen by the Board of Trustees. There is a mix of up to five Council-appointed Trustees and up to three Independent Trustees, and the Trust's affairs are governed by its written Constitution. The Trustees meet monthly (by Zoom when in person meetings are not possible). Nominees appointed by East Grinstead Town Council are subject to the appointment process of this body and the guidelines on appointment to public office as they apply to local government nominees. Independent Trustees are nominated, vetted and interviewed by the Board prior to appointment. All appointments are for fixed terms.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Cllr. F Osborne (Chairman)

Cllr R Whittaker

(Resigned 21 July 2021)

Cllr. J A Mockford

S G Cole (independent)

Cllr. H Farren

(Appointed 1 April 2020)

N S Gibson (independent)

Cllr. F Visser

Board decisions are usually unanimous. In the event of a disagreement decisions are put to a vote of a simple majority, with dissenting views recorded in the Minutes. The Chairman has the casting vote.

The day-to-day running of the Trust is the responsibility of the General Manager, who is accountable to the Board of Trustees and reports to the Board at each monthly meeting on operational and financial issues. Each year the General Manager produces a detailed budget in conjunction with the Trustees, and reports on performance against budget each month.

Detailed policies are in place for discharging all mandatory responsibilities (e.g. Health and Safety, Diversity, Safeguarding etc).

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to XX day's purchases, based on the average daily amount invoiced by suppliers during the year.

Conclusion

This was the most challenging year in the CIO's history, but we are optimistic that despite a further challenging first half of 2021-22, we are now well positioned to take full advantage of the current environment. The theatre has just re-opened with an expanding programme of events, and The Apron remains a popular destination for the community: clubs and community organisations are booking rooms again.

The General Manager and the staff have performed remarkably well in unprecedented circumstances, and have the Board's wholehearted thanks.

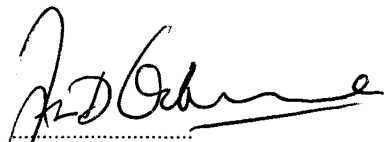
The Trustees are realistic that it will take some time to get back to the position we were in before the pandemic struck, but share a determination to get there whilst continuing to serve our community and meet their needs.

The Trustees' report was approved by the Board of Trustees.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021



Mr. F Osborne (Chairman)

Trustee

Date: 20th December 2021

CHEQUER MEAD ARTS AND COMMUNITY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

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

The law applicable to charities in England and Wales 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 of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CHEQUER MEAD ARTS AND COMMUNITY TRUST

Opinion

We have audited the financial statements of Chequer Mead Arts and Community Trust (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHEQUER MEAD ARTS AND COMMUNITY TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud, the audit engagement team made enquiries of management, and those charged with governance, regarding the procedures relating to identifying, evaluating and complying with;

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, General Data Protection Regulations, Charities Act 2011, Charities Statement of Recommended Practice and employment law and regulations. We performed audit procedures to detect non-compliance, which may have a material impact on the financial statements. These included reviewing financial statement disclosures and evaluating advice received from external advisors. There were no significant laws and regulations we deemed as having an indirect impact on the financial statements.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHEQUER MEAD ARTS AND COMMUNITY TRUST

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the rationale in relation to any significant, unusual transactions and transactions entered into outside of the normal course of business.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

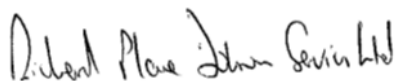
Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Place Dobson Services Limited

Chartered Accountants

Statutory Auditor

1 - 7 Station Road,

Crawley

West Sussex

RH10 1HT

...21/12/2021...

Richard Place Dobson Services Limited are eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Current financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes					
<u>Income and endowments from:</u>						
Donations and grants	3	173,547	-	50,950	224,497	101,363
<u>Charitable activities</u>						
In House Productions	4	9,515	-	-	9,515	4,600
Theatre operations	4	1,252	-	-	1,252	300,950
Studio Hire	4	8,638	-	-	8,638	50,557
Tenant income	4	20,982	-	-	20,982	25,042
Bar and Ice Cream Sales	5	-	-	-	-	48,009
Investments	6	1,692	-	-	1,692	3,898
Other income	7	242	-	-	242	4,093
Total income		215,868	-	50,950	266,818	538,512
<u>Expenditure on:</u>						
<u>Raising funds</u>						
Fundraising and publicity	8	-	-	-	-	20,394
<u>Charitable activities</u>						
Theatre operations	9	311,147	21,259	-	332,406	537,062
Total charitable expenditure		311,147	21,259	-	332,406	537,062
Total resources expended		311,147	21,259	-	332,406	557,456
Net (outgoing)/incoming resources before transfers		(95,279)	(21,259)	50,950	(65,588)	(18,944)

CHEQUER MEAD ARTS AND COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Net (outgoing)/incoming resources before transfers	(95,279)	(21,259)	50,950	(65,588)	(18,944)
Gross transfers between funds	(11,468)	67,418	(55,950)	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net expenditure for the year/ Net movement in funds	(106,747)	46,159	(5,000)	(65,588)	(18,944)
Fund balances at 1 April 2020					
As originally reported	257,095	487,981	128,054	873,130	860,985
Prior year adjustment	(31,089)	-	-	(31,089)	-
As restated	226,006	487,981	128,054	842,041	860,985
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balances at 31 March 2021	<u>119,259</u>	<u>534,140</u>	<u>123,054</u>	<u>776,453</u>	<u>842,041</u>

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

All income and expenditure derive from continuing activities.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Prior financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes				
<u>Income and endowments from:</u>					
Donations and grants	3	100,363	-	1,000	101,363
<u>Charitable activities</u>					
In House Productions	4	4,600	-	-	4,600
Theatre operations	4	300,950	-	-	300,950
Studio Hire	4	50,557	-	-	50,557
Tenant income	4	25,042	-	-	25,042
Bar and Ice Cream Sales	5	48,009	-	-	48,009
Investments	6	3,898	-	-	3,898
Other income	7	4,093	-	-	4,093
Total income		537,512	-	1,000	538,512
<u>Expenditure on:</u>					
<u>Raising funds</u>					
Fundraising and publicity	8	20,394	-	-	20,394
<u>Charitable activities</u>					
Theatre operations	9	520,246	16,816	-	537,062
Total charitable expenditure		520,246	16,816	-	537,062
Total resources expended		540,640	16,816	-	557,456
Net (outgoing)/incoming resources before transfers		(3,128)	(16,816)	1,000	(18,944)
Net expenditure for the year/ Net movement in funds		(3,128)	(16,816)	1,000	(18,944)
Fund balances at 1 April 2019					
As originally reported		229,134	504,797	127,054	860,985
Prior year adjustment		-	-	-	-
As restated		229,134	504,797	127,054	860,985
Fund balances at 31 March 2020		226,006	487,981	128,054	842,041

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

All income and expenditure derive from continuing activities.

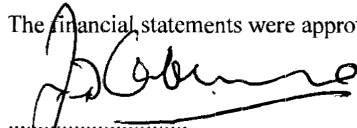
CHEQUER MEAD ARTS AND COMMUNITY TRUST

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13	540,490		505,389	
Investments	14	10,000		10,000	
		<u>550,490</u>		<u>515,389</u>	
Current assets					
Debtors	15	36,947		70,842	
Cash at bank and in hand		282,956		326,323	
		<u>319,903</u>		<u>397,165</u>	
Creditors: amounts falling due within one year	17	(47,489)		(70,513)	
Net current assets			272,414		326,652
Total assets less current liabilities			<u>822,904</u>		<u>842,041</u>
Creditors: amounts falling due after more than one year	18	(46,451)		-	
Net assets			<u><u>776,453</u></u>		<u><u>842,041</u></u>
Income funds					
Restricted funds	20	123,054		128,054	
<u>Unrestricted funds</u>					
Designated funds	21	534,140		487,981	
General unrestricted funds		<u>119,259</u>		<u>226,006</u>	
			653,399		713,987
			<u><u>776,453</u></u>		<u><u>842,041</u></u>

The financial statements were approved by the Trustees on 20/12/2021



Clive F Osborne (Chairman)
Trustee

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Chequer Mead Arts and Community Trust is a registered Charitable Incorporated Organisation (CIO).

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Preparation of Consolidated Financial Statements

The financial statements contain information about Chequer Mead Arts and Community Trust as an individual charity and do not contain consolidated financial information as the parent of a group. The Charity is exempt from the requirement to prepare consolidated accounts on the basis it qualifies as a small group.

1.2 Prior period error

During the course of preparing the accounts for the year ended 31 March 2021, it was discovered that income received in advance for events due to happen after 31 March 2020 were not recorded correctly in the previous years accounts. Due to the Coronavirus pandemic a large number of these events did not take place and the ticket costs had to be refunded. There was insufficient income received in the current year to recognise these refunds against.

The impact on the accounts is to increase deferred income and reduce event income in the previous year by £31,089.

1.3 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated Funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Grant income provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when admission fees or performance related grants are received in advance of the performance or event to which they relate.

Income from bar and ice cream sales is recognised as earned (as the related goods and services are provided).

Investment income is recognised on a receivables basis.

Activities in furtherance of charitable objects includes theatre operations, studio hire, in-house productions and tenant income. Charitable income is recognised on the date of the performance or as the room is hired.

Donations and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

Other Income

Other income consists of Spektrix commissions, income from marketing and postage and income from the premium club. It is recognised in the accounts when the charity has earned entitlement to the income, it is probable the income will be received and the amount can be reliably measured.

Legacy Income

For Legacies entitlement is taken at earlier of:

- the date on which the charity is aware that probate has been granted.
- the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made.
- when distribution is received from the estate.

Receipt of a legacy, is whole or in part, is only considered probable when the amount can be reliably measured and the charity has been notified of the executor's intention to make distribution. Where legacies have been notified to the charity, or the charity is aware of granting probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Liabilities are recognised as expenditure as soon as there is 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.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include governance costs. These costs have been allocated between the different charitable activities on a percentage basis. The bases on which support costs have been allocated are set out in note 8.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

All assets costing more than £1,000 are capitalised at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	Over the term of the lease
Fixtures, fittings & equipment	10-33% p.a. straight line
Computers	10-33% p.a. straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial assets

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discount offered.

Basic financial liabilities

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors and provisions are normally recognised at their settlement value after allowing for any discounts offered.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The charity is not subject to corporation tax or any other taxes on income or gains arising from its charitable objectives.

1.12 Employee benefits

The costs of short term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.13 Retirement benefits

Post 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.

1.14 Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.15 Operating Leases

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Donated assets

Goods donated for on-going use by the charity in carrying out its activities are recognised as tangible fixed assets with the corresponding gain recognised as income from donations when goods are above the charities capitalisation limit of £1,000. Donated goods are measured at their fair value.

Volunteer time

The charity makes use of volunteers in carrying out the charitable activities. It is impractical to value the costs of the volunteer involved. No amount for volunteer time are included within the accounts.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and grants

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	3,022	1,000	4,022	26,363	1,000	27,363
Grants	170,525	49,950	220,475	74,000	-	74,000
	<u>173,547</u>	<u>50,950</u>	<u>224,497</u>	<u>100,363</u>	<u>1,000</u>	<u>101,363</u>
Grants receivable for core activities						
EGTC Grant	74,000	-	74,000	74,000	-	74,000
MSDC Toilet refurbishment grant	-	49,950	49,950	-	-	-
MSDC National restriction Grant	3,000	-	3,000	-	-	-
Other	93,525	-	93,525	-	-	-
	<u>170,525</u>	<u>49,950</u>	<u>220,475</u>	<u>74,000</u>	<u>-</u>	<u>74,000</u>

4 Charitable activities

	In House Productions 2021 £	Theatre operations 2021 £	Studio Hire 2021 £	Tenant income 2021 £	Total 2021 £	Total 2020 £
Income from charitable activities	<u>9,515</u>	<u>1,252</u>	<u>8,638</u>	<u>20,982</u>	<u>40,387</u>	<u>381,149</u>

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

(Continued)

For the year ended 31 March 2020

	In House Productions £	Theatre operations £	Studio Hire £	Tenant income £	Total 2020 £
Income from charitable activities	4,600	300,950	50,557	25,042	381,149
Analysis by fund					
Unrestricted funds - general	4,600	300,950	50,557	25,042	381,149

5 Bar and Ice Cream Sales

	Total 2021 £	Unrestricted funds general 2020 £
Bar & Ice cream sales	-	48,009
Bar & Ice cream cost of sales	-	(20,394)
Gross Profit for Bar & Ice cream sales	-	27,615

6 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Deposit account interest	1,692	3,898

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Other income

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Postage	142	2,871
Premium Club	100	1,075
Misc. Income	-	147
	242	4,093

8 Raising funds

	Total 2021 £	Unrestricted funds general 2020 £
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	-	20,394
	-	20,394

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Charitable activities

	Theatre operations 2021 £	Theatre operations 2020 £
Staff costs	172,827	257,255
Depreciation and impairment	34,756	31,477
Production & Events management	37,065	41,678
Advertising	4,692	47,212
IT, Repairs & Maintenance	28,961	79,097
Daily running costs	35,695	41,464
	<u>313,996</u>	<u>498,183</u>
Share of governance costs (see note 10)	18,410	38,879
	<u>332,406</u>	<u>537,062</u>
Analysis by fund		
Unrestricted funds - general	311,147	520,246
Unrestricted funds - designated	21,259	16,816
	<u>332,406</u>	<u>537,062</u>

10 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Streamline	-	-	-	-	22,617	22,617
Audit fees	-	5,000	5,000	-	5,000	5,000
Accountancy	-	9,625	9,625	-	5,560	5,560
Legal and professional	-	3,785	3,785	-	5,702	5,702
	<u>-</u>	<u>18,410</u>	<u>18,410</u>	<u>-</u>	<u>38,879</u>	<u>38,879</u>
Analysed between Charitable activities	-	18,410	18,410	-	38,879	38,879

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year and none of them were reimbursed any expenses (2020- no expenses were reimbursed).

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Theatre management	2	2
Technical staff	7	6
Administration	4	3
Total	13	11

Employment costs

	2021 £	2020 £
Wages and salaries	160,758	233,926
Social security costs	8,981	22,160
Other pension costs	3,088	1,169
	172,827	257,255

There were no employees whose annual remuneration was more than £60,000.

13 Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings & equipment £	Computers £	Total £
Cost				
At 1 April 2020	418,792	196,077	12,946	627,815
Additions	67,418	2,111	328	69,857
At 31 March 2021	486,210	198,188	13,274	697,672
Depreciation and impairment				
At 1 April 2020	31,054	83,475	7,897	122,426
Depreciation charged in the year	13,829	19,486	1,441	34,756
At 31 March 2021	44,883	102,961	9,338	157,182
Carrying amount				
At 31 March 2021	441,327	95,227	3,936	540,490
At 31 March 2020	387,738	112,602	5,049	505,389

14 Fixed asset investments

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Fixed asset investments

(Continued)

	Other investments
Cost or valuation	
At 1 April 2020 & 31 March 2021	10,000
	—
Carrying amount	
At 31 March 2021	10,000
	=====
At 31 March 2020	10,000
	=====

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Fixed asset investments (Continued)

	Notes	2021 £	2020 £
Other investments comprise:			
Investments in subsidiaries	26	10,000	10,000

15 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	7,272	10,512
Amounts owed by subsidiary undertakings	12,775	37,019
Other debtors	6,027	11,076
Prepayments and accrued income	10,873	12,235
	<u>36,947</u>	<u>70,842</u>

16 Loans and overdrafts

	2021 £	2020 £
Other loans	50,000	-
Payable within one year	3,549	-
Payable after one year	46,451	-

The bounce back loan with Natwest bank was taken out during the Covid-19 pandemic. The amount borrowed was the max available of £50,000 at a fixed interest rate of 2.5%.

The loan which is repayable fully within 5 years had no interest charged in the first year and thereafter charged at the applicable rate above.

17 Creditors: amounts falling due within one year

	2021 £	2020 £
Borrowings	3,549	-
Other taxation and social security	2,176	5,907
Trade creditors	4,402	14,428
Amount owed to parent undertaking	(4,436)	-
Accruals and deferred income	41,798	50,178
	<u>47,489</u>	<u>70,513</u>

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Borrowings	46,451	-

19 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £3,088 (2020 - £1,169).

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds			
	Balance at 1 April 2019 £	Income £	Balance at 1 April 2020 £	Income £	Transfers £	Balance at 31 March 2021 £
EGTC Bulding project	123,054	-	123,054	-	-	123,054
Community Toilet Sceme	4,000	1,000	5,000	1,000	(6,000)	-
MSDC Toilet Refurbishment	-	-	-	49,950	(49,950)	-
	<u>127,054</u>	<u>1,000</u>	<u>128,054</u>	<u>50,950</u>	<u>(55,950)</u>	<u>123,054</u>

Community Toilet Scheme Fund - This represents a grant from Mid Sussex District Council towards the community Toilet Scheme Fund.

EGTC Building Project fund- This fund represents monies granted to the charity to carry out redevelopment work on the theatre.

Mid Sussex District Council have give the Charity a grant to be used for the purpose of refurbishing the toilets. Work was carried out on this during the year.

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

21 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2019	Expenditure	Balance at 1 April 2020	Expenditure	Transfers	Balance at 31 March 2021
	£	£	£	£	£	£
Donated Equipment	66,875	(7,430)	59,445	(7,430)	-	52,015
Leasehold improvements	395,651	(7,913)	387,738	(13,829)	67,418	441,327
Boiler	20,000	-	20,000	-	-	20,000
Theatre Seats	20,798	-	20,798	-	-	20,798
Screen Projector	1,473	(1,473)	-	-	-	-
	<u>504,797</u>	<u>(16,816)</u>	<u>487,981</u>	<u>(21,259)</u>	<u>67,418</u>	<u>534,140</u>

Theatre Seats Fund, Room Chairs Fund and Screen Projector fund all represents assets purchased with designated fund income. The balances are in line with the Net Book Value of these assets.

Leasehold improvements fund represents amounts that have been spend on leasehold improvements out of the EGTC building project grant including the annual depreciation charge.

The boiler fund is funds set aside by the Trustees to replace the boiler in the coming year

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

22 Analysis of net assets between funds

	Unrestrcited Funds 2021 £	Designated Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Unrestrcited Funds 2020 £	Designated Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:								
Tangible assets	47,148	493,342	-	540,490	58,206	447,183	-	505,389
Investments	10,000	-	-	10,000	10,000	-	-	10,000
Current assets/(liabilities)	102,562	40,798	129,054	272,414	157,800	40,798	128,054	326,652
Long term liabilities	(46,451)	-	-	(46,451)	-	-	-	-
	<u>113,259</u>	<u>534,140</u>	<u>129,054</u>	<u>776,453</u>	<u>226,006</u>	<u>487,981</u>	<u>128,054</u>	<u>842,041</u>

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

23 Financial commitments, guarantees and contingent liabilities

Contingent Liability

The S106 grants received from Mid Sussex District Council is potentially repayable if within 14 years the theatre facility ceases to be used for leisure activities or if any other conditions of the grant are not complied with.

24 COVID 19

In March 2020 the World Health Organisation declared Covid-19 a global pandemic. This had a significant effect on global trade and the ability of companies to function normally. An estimate of the financial effect of Covid-19 can not be made at this stage.

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	41,804	48,200

The charity has a close working relationship with East Grinstead Town Council. This body nominates the majority of trustees (see the trustees report) and provides funding to enable the charity to carry out its charitable activities. Grant income received in the year totalled £74,000 (2020: £74,000).

A subsidiary trading company Chequer Mead Trading Limited was incorporated on 15 May 2019 and began trading in September 2019. No donations (2020: £25,000) donation were made from the trading subsidiary to the charity during the year. At 31 March 2021 £12,775 was owed to the charity from its trading subsidiary.

26 Subsidiaries

These financial statements are separate charity financial statements for Chequer Mead Arts and Community Trust

Details of the charity's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Chequer Mead Trading Limited	De La Warr Road, East Grinstead, West Sussex, RH19 3BS	Hot beverages, food & catering and bar service to benefit the image of the Chequer Mead Theatre brand.	Ordinary	100.00	

CHEQUER MEAD ARTS AND COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

26 Subsidiaries

(Continued)

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Chequer Mead Trading Limited	(16,820)	(3,357)