

**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

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<b>Trustees</b>	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)
<b>Charity number</b>	1165519	
<b>Registered office</b>	Chequer Mead Theatre	
	De La Warr Road	
	East Grinstead	
	RH19 3BS	
<b>Auditor</b>	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 2022*

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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*

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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***

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### **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*

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### **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*

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#### **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**

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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

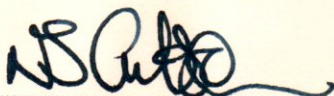
### **Conclusion**

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***

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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

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#### 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

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#### **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

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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					
<b><u>Income and endowments from:</u></b>						
Donations and grants	3	114,009	-	68,125	182,134	224,497
<b><u>Charitable activities</u></b>						
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
<b>Total income</b>		<b>321,626</b>	<b>-</b>	<b>68,125</b>	<b>389,751</b>	<b>266,818</b>
<b><u>Expenditure on:</u></b>						
<b><u>Raising funds</u></b>						
<b><u>Charitable activities</u></b>						
Theatre operations	7	400,727	13,857	-	414,584	332,406
<b>Total charitable expenditure</b>		<b>400,727</b>	<b>13,857</b>	<b>-</b>	<b>414,584</b>	<b>332,406</b>
Other	11	1,434	-	-	1,434	-
<b>Total resources expended</b>		<b>402,161</b>	<b>13,857</b>	<b>-</b>	<b>416,018</b>	<b>332,406</b>
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(80,535)</b>	<b>(13,857)</b>	<b>68,125</b>	<b>(26,267)</b>	<b>(65,588)</b>
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(80,535)</b>	<b>(13,857)</b>	<b>68,125</b>	<b>(26,267)</b>	<b>(65,588)</b>
Gross transfers between funds		68,125	-	(68,125)	-	-
<b>Net expenditure for the year/ Net movement in funds</b>		<b>(12,410)</b>	<b>(13,857)</b>	<b>-</b>	<b>(26,267)</b>	<b>(65,588)</b>
Fund balances at 1 April 2021		150,349	534,140	123,054	807,543	842,041
<b>Fund balances at 31 March 2022</b>		<b>137,939</b>	<b>520,283</b>	<b>123,054</b>	<b>781,276</b>	<b>776,453</b>

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				
<b><u>Income and endowments from:</u></b>					
Donations and grants	3	173,547	-	50,950	224,497
<b><u>Charitable activities</u></b>					
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
<b>Total income</b>		<u>215,868</u>	<u>-</u>	<u>50,950</u>	<u>266,818</u>
<b><u>Expenditure on:</u></b>					
<b><u>Raising funds</u></b>					
<b><u>Charitable activities</u></b>					
Theatre operations	7	311,147	21,259	-	332,406
<b>Total charitable expenditure</b>		<u>311,147</u>	<u>21,259</u>	<u>-</u>	<u>332,406</u>
<b>Total resources expended</b>		<u>311,147</u>	<u>21,259</u>	<u>-</u>	<u>332,406</u>
<b>Net (outgoing)/incoming resources before transfers</b>		(95,279)	(21,259)	50,950	(65,588)
Gross transfers between funds		<u>(11,468)</u>	<u>67,418</u>	<u>(55,950)</u>	<u>-</u>
<b>Net expenditure for the year/ Net movement in funds</b>		(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>
<b>Fund balances at 31 March 2021</b>		<u><u>119,259</u></u>	<u><u>534,140</u></u>	<u><u>123,054</u></u>	<u><u>776,453</u></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

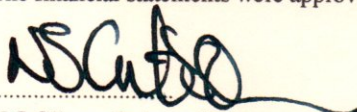
## BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	12		514,267		540,490
Investments	13		10,000		10,000
			<u>524,267</u>		<u>550,490</u>
<b>Current assets</b>					
Debtors	14	47,847		36,947	
Cash at bank and in hand		421,314		282,956	
		<u>469,161</u>		<u>319,903</u>	
<b>Creditors: amounts falling due within one year</b>	16	(174,871)		(47,489)	
Net current assets			294,290		272,414
<b>Total assets less current liabilities</b>			818,557		822,904
<b>Creditors: amounts falling due after more than one year</b>	17		(37,281)		(46,451)
Net assets			<u>781,276</u>		<u>776,453</u>
<b>Income funds</b>					
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

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#### 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

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#### 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

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#### 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**

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### **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>
<b>Grants receivable for core activities</b>						
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
<b>Analysis by fund</b>		
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
	<u>-</u>	<u>16,676</u>	<u>16,676</u>	<u>18,410</u>
Analysed between				
Charitable activities	-	16,676	16,676	18,410
	<u>-</u>	<u>16,676</u>	<u>16,676</u>	<u>18,410</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 (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	<u>11</u>	<u>13</u>

#### 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
	<u>136,758</u>	<u>172,827</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 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 £
<b>Cost</b>				
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
<b>Depreciation and impairment</b>				
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
<b>Carrying amount</b>				
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
<b>Cost or valuation</b>	
At 1 April 2021 & 31 March 2022	10,000
<b>Carrying amount</b>	
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
	£	£