

APPLAUSE RURAL TOURING

**REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Charity number 1165632



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Applause Rural Touring

Report of the Trustees for the year ended 31 March 2021



The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2021.

The financial statements comply with the Charities Act 2011, the charity's constitution, 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 2015).

REFERENCE AND ADMINISTRATION DETAILS

Charity registration number: 1165632

Principal address: The Yard, 2a Speldhurst Road, Southborough, Tunbridge Wells, Kent, TN4 0DP

Director: Dawn Badland

Bankers: CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is a charitable incorporated organisation (CIO) governed by its constitution dated 27 January 2016. The charity was registered with the Charity Commission on 16 February 2016.

The charity is governed by the board of trustees. The board meets quarterly (and more often if required) and decides on the strategic direction the charity should take, the performance targets that should be set and examines the recent activities and performance of the charity. The day to day operations of the charity are delegated to the Director.

Recruitment & appointment of trustees

Trustees are recruited in conjunction with ongoing needs and skills analysis to provide balanced and informed Governance for the Charity. No more than 12 and no less than 3 persons may be elected. Appointments are agreed by the Trustees for a fixed term after which Trustees may be re-elected.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees meet on a quarterly basis and assess any risks to the Charity including monitoring of the Risk Register the content of which is informed by consultation with staff, Board and stakeholders.

Applause Rural Touring

Report of the Trustees for the year ended 31 March 2021



Trustees

The trustees who served during the year and to the date of this report were:

Nigel Bolton
Amanda Carpenter (resigned 20 July 2021)
Rachel Daly (appointed 2 February 2021)
Hannah Deeble (appointed 16 March 2021)
Julie Flower
Helen Graves
Daniel King (appointed 27 April 2021)
Louise Knight
Kat Portman Smith

OBJECTIVES AND ACTIVITIES

The object of Applause Rural Touring as set out in its constitution is:

The advancement of arts to the benefit of the general public in rural and/or isolated communities in the South East of England by, in particular but not exclusively, programming, commissioning and facilitating delivery of artistic experiences; working with artists to help develop their understanding of, and work for, these communities; and by extending the reach of arts provision by developing local venues and supporting and training volunteer organisers. Isolated in this context means isolated from arts provision by physical, social or economic reasons.

Public benefit

The trustees have complied with the duty in section 4 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission, including public benefit guidance. We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

The charity furthers its charitable purposes for the public benefit by: opening up artistic opportunities to rural communities in Kent and Sussex and working with high quality cultural practitioners to develop and champion their work in rural areas.

ACHIEVEMENTS AND PERFORMANCE

Our vision is to inspire and develop cultural engagement in rural areas and those areas with limited access to cultural opportunity across Kent, Sussex and the wider southeast. We achieve our vision by developing opportunities for rural and other communities to work with us as volunteers and professional partners creating great cultural experiences for audiences and participants. We work with cultural practitioners and arts and non-arts partners to progress meaningful and relevant cultural activity.

We operate 3 key delivery routes, these are – to support and create excellent artistic and creative opportunity. To increase participation & engagement opportunities for rural communities and to create a rural touring model which is resilient and sustainable

Applause Rural Touring

Report of the Trustees for the year ended 31 March 2021



Increase participation & engagement opportunities for rural communities

During 2020 and 2021, the restrictions caused by COVID 19 led us to find delivery solutions as we reimagined how we work with a growing range of partners and people. We rethought our offer to communities and how we could work across indoor and outdoor touring in a more integrated way to increase promoter participation. We began our journey into digital work and successfully developed audio work for radio. With the anticipation that a regular touring programme would not take place in spring 2021 we developed a hugely successful and exquisite set of podcasts in partnership with South Downs National Park Authority. We reimagined the Inn Crowd partnership project by devising 10 remote residences and a campaign with Pub is the Hub called Winter Warmers, both with national reach. We have continued to rebuild our promoter and community engagement plans with a refreshed forward looking focus. Initial activity indicates a large take up of our work for summer 2021 with new markets opening up such as back to the High Street initiatives and Library based activity.

Support and create excellent artistic and creative opportunity

During 2020/21 one of our priorities focussed on supporting the artists we work with, particularly those commissioned by us, we continued to do this and in addition developed new partnerships to deliver a specifically designed learning opportunity for artists to engage with the unique concept driving our successful outdoor model. Our commissioned artists were fully supported during the latter part of the year to finalise their work ready for touring in summer 2021. Through our Inn Crowd project we supported newly devised remote residencies and a poems for pubs campaign as well as digital works. There was considerable artistic output during 2020-21 given the difficult circumstances under which we were operating. This continued work has set us in a strong position to deliver a fast growing set of touring opportunities in 2021.

Create a rural touring model which is resilient and sustainable

With a history of artistically ambitious work, a shift in gear and outlook within the Applause team has enabled it to devise refreshed priorities and maximize multiple opportunities that have emerged over the course of 12 months. A small workforce presents challenges but a reworking of roles and engagement of new staff structure has enabled Applause to engage in new partnerships and opportunities driving forward a greater presence, enhanced programme and increased engagement potential. Growth in both our staff and board of Trustees has also enabled us to embed confident and informed business planning for the coming period.

FINANCIAL REVIEW

The income of the charity amounted to £537,819 (2020: £447,237) with net income of £264,874 (2020: net expenditure of £8,714).

Reserves policy

The policy of the charity is to have free reserves of six months' operating costs to fund its work (currently budgeted at £83,719). Unrestricted reserves at 31 March 2021 were £228,782 (2020: £162,848). As at 31 March 2021 the assets of the charity are considered adequate to fulfil its obligations and the trustees consider the state of our financial affairs to be satisfactory.

PLANS FOR THE FUTURE

Our output during the year has remained high despite the continuation of restrictions due to COVID 19. We will be devising a 2022-23 business plan in full consultation with staff and trustees to be submitted to Arts Council England for the extension period of NPO agreements. A range of new partnerships developed during the past year will be a significant development for our work moving forward.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees are responsible for preparing a trustees' annual report and 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 charity trustees to prepare financial statements for each 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 period. In preparing the financial statements, the trustees are required to:

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

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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the trustees and signed on their behalf by



Kat Portman Smith
Trustee
2 December 2021

Applause Rural Touring

Statement of Financial Activities for the year ended 31 March 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
INCOME:							
Grants and donations		185,363	347,060	532,423	180,116	203,472	383,588
Touring programme income		4,425	(700)	3,725	49,116	13,450	62,566
Bank interest		1,671	-	1,671	1,083	-	1,083
TOTAL INCOME		191,459	346,360	537,819	230,315	216,922	447,237
EXPENDITURE:							
Touring programme artists' fees		7,400	2,400	9,800	84,129	45,062	129,191
Artist development		17,255	49,999	67,254	28,530	53,297	81,827
Promoter training & development		-	-	-	-	2,000	2,000
Audience development & marketing		13,066	22,886	35,952	10,361	26,823	37,184
Staff training & development		57	2,600	2,657	3,747	7,561	11,308
Fundraising costs		455	-	455	-	12,834	12,834
Professional fees		720	-	720	720	-	720
Salaries & freelance staff costs		105,485	34,996	140,481	97,982	41,959	139,941
Travel costs		147	332	479	2,569	7,625	10,194
Premises costs		11,653	3,494	15,147	16,063	14,689	30,752
TOTAL EXPENDITURE		156,238	116,707	272,945	244,101	211,850	455,951
NET INCOME/(EXPENDITURE)	2	35,221	229,653	264,874	(13,786)	5,072	(8,714)
Transfers between funds		30,713	(30,713)	-	56,222	(56,222)	-
NET MOVEMENT IN FUNDS		65,934	198,940	264,874	42,436	(51,150)	(8,714)
TOTAL FUNDS AT 1 APRIL 2020		162,848	86,554	249,402	120,412	137,704	258,116
TOTAL FUNDS AT 31 MARCH 2021		228,782	285,494	514,276	162,848	86,554	249,402

The notes on pages 9 to 12 form part of these financial statements.

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

Applause Rural Touring
Balance Sheet at 31 March 2021



	Note	£	2021 £	£	2020 £
CURRENT ASSETS					
Debtors	5	768		5,014	
Cash at bank and in hand		<u>530,291</u>		<u>287,539</u>	
		531,059		292,553	
LIABILITIES					
CREDITORS: amounts falling due within one year					
	6	<u>(16,783)</u>		<u>(43,151)</u>	
NET CURRENT ASSETS			<u>514,276</u>		<u>249,402</u>
NET ASSETS			<u>514,276</u>		<u>249,402</u>
FUNDS OF THE CHARITY					
Restricted funds	8		285,494		86,554
Unrestricted funds			<u>228,782</u>		<u>162,848</u>
TOTAL FUNDS			<u>514,276</u>		<u>249,402</u>

Signed on behalf of the trustees

Kat Portman Smith
Trustee

2 December 2021

Applause Rural Touring
Notes to the Accounts for the year ended 31 March 2021



1. ACCOUNTING POLICIES

a) Accounting Basis

i) Basis of preparation

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. Applause Rural Touring meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

ii) Preparation of the accounts on a going concern basis

It is the trustees' view that there are no material uncertainties regarding Applause Rural Touring's ability to continue in business for the foreseeable future taking into account all available information, and have neither the intention nor the need to liquidate or curtail materially the scale of its operations, and have prepared the accounts on that assumption. This has included a review of the effect of the COVID19 pandemic on the charity's operations. The trustees have reviewed the charity's financial position for the coming year and are satisfied that the charity will have sufficient funds, largely due to the continued investment from Arts Council England and our main Local Authority contributors from whom grant funding is largely received in advance.

b) Fund Accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Restricted Funds are subjected to restrictions on their expenditure imposed by the donor or grant award or through the terms of an appeal.

c) Income

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Income from fees received for future events are recognised as income in the accounting period in which the event takes place.

d) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. It is reported as part of the expenditure to which it relates.

e) Debtors

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

1. ACCOUNTING POLICIES (CONTINUED)

f) Cash At Bank And In Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

g) Creditors

Creditors 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 or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

h) Contributions to pension funds

The charity makes available to all employees a defined contribution pension scheme operated by NEST. The pension costs charged to the Statement of Financial Activities represent the amount of the contributions payable to the scheme in respect of the accounting period.

i) Operating Leases

Rentals under operating leases where substantially all of the benefits and risks of ownership remain with the lessor have been charged to the profit and loss account as incurred.

j) Cash Flow Statement

The charity has taken advantage of the exemption from preparing a cash flow statement in accordance with FRS 102 on the basis that it qualifies as a small entity.

k) Corporation tax

Applause Rural Touring is a registered charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

	Year Ended <u>31.03.21</u>	Year Ended <u>31.03.20</u>
2. <u>NET INCOME/(EXPENDITURE)</u>	£	£
Net income/(expenditure) is stated after charging:		
Rent payable under operating lease		
- Property	4,971	4,971
- Equipment	2,030	1,872
Independent Examiner's fee	<u>720</u>	<u>720</u>

Applause Rural Touring
Notes to the Accounts for the year ended 31 March 2021



	Year Ended <u>31.03.21</u>	Year Ended <u>31.03.20</u>
3. <u>STAFF COSTS AND NUMBERS</u>	£	£
Wages and Salaries	111,139	84,685
Social Security Costs	4,477	2,736
Pension Costs	<u>2,258</u>	<u>1,577</u>
	<u>117,874</u>	<u>88,998</u>

The average number of staff employed during the year was 6 (2020: 5). There were no employees with emoluments exceeding £60,000 per annum during the year.

Employee benefits totalled £32,635 (2020: £30,853) for the key management personnel of the charity.

4. TRUSTEES' REMUNERATION AND EXPENSES

During the year a total of £nil (2020: £15) was paid to no (2020: 1) trustee for reimbursement of travel expenses.

	<u>31.03.21</u>	<u>31.03.20</u>
	£	£
5. <u>DEBTORS</u>		
Trade Debtors	20	4,148
Other Debtors	7	21
Prepayments	<u>741</u>	<u>845</u>
	<u>768</u>	<u>5,014</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade Creditors	3,924	21,594
Other Taxes and Social Security	2,605	1,676
Accruals and Deferred Income	9,689	19,533
Pensions Contributions	<u>565</u>	<u>348</u>
	<u>16,783</u>	<u>43,151</u>

Included in creditors above is deferred income relating to income received in advance for events to be held in the following financial year as follows:-

Brought forward at 1 April 2020	275	1,725
Released to SOFA in year	-	(1,725)
Refunded in year	(275)	-
Receipts in the year deferred – events in 2021/22	<u>-</u>	<u>275</u>
	<u>-</u>	<u>275</u>

7. FINANCIAL COMMITMENTS

Future minimum rentals payable under non-cancellable operating leases are as follows:

	<u>31.03.21</u>	<u>31.03.20</u>
	£	£
Within one year	2,444	2,444
Within two to five years	<u>1,522</u>	<u>3,552</u>
	<u>3,966</u>	<u>5,996</u>

8. RESTRICTED FUNDS

	At 1 April 2020	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Rother District Council	388	-	-	-	388
Inn Crowd Pubs+	86,166	346,360	(116,707)	(30,713)	285,106
	86,554	346,360	(116,707)	(30,713)	285,494

	At 1 April 2019	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Inn Crowd	125,326	44,206	(121,136)	(48,396)	-
Giving It Large	11,990	1,410	(12,834)	(566)	-
Rother District Council	388	-	-	-	388
Inn Crowd Pubs+	-	171,306	(77,880)	(7,260)	86,166
	137,704	216,922	(211,850)	(56,222)	86,554

Restricted funds consist of funds given by a donor to be spent on specific projects.

Transfers between funds represent:

Inn Crowd Pubs+ - contribution from project to unrestricted funds towards staff costs & overheads in line with the original agreed project budget approved by the funder.

Independent Examiner's Report to the Trustees of Applause Rural Touring for the year ended 31 March 2021

I report on the accounts for the year ended 31 March 2021, which are set out on pages 7 to 12.

Responsibilities and basis of report

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

I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 Act and 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.

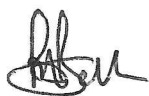
Independent examiner's statement

Since the company'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 the Association of International Accountants, which is one of the listed bodies.

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

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

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



Paul Baker FAIA

Applied Accountancy Limited
50a Clifford Way
Maidstone
Kent ME16 8GD

Dated: 15 December 2021