

APPLAUSE RURAL TOURING

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

Charity number 1165632



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Applause Rural Touring

Report of the Trustees for the year ended 31 March 2022



The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2022.

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 2022



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
Hannah Deeble
Julie Flower (resigned 13 September 2022)
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 2022



Increase participation & engagement opportunities for rural communities

During 2021-2022 we began to rebuild our network as the restrictions caused by COVID 19 increasingly loosened. This largely took place through our outdoor programme from April – September 2021 with over 100 performances being booked at outdoor celebratory events. Whilst some of these included village and community fetes there remained cautiousness amongst rural communities to host these events, however, we had a large take up by events hosted in mixed use public spaces as a range of public sector promoters sought to provide interesting and engaging content for the public. Our indoor programme began to resume with community hosts engaging again with a reduced programme. Publicans reengaged through our Inn Crowd project as pubs made a strong return, Inn Crowd delivered the library element of delivery with 26 libraries taking part.

Support and create excellent artistic and creative opportunity

Our artist development LAB was held in partnership with Marlowe and Creation Space 101 and supported artists interested in applying to our commissioning programme. The residential LAB tested a model we will take forward into coming years as a way to address gaps in the range of artists we attract to the outdoor commission opportunities as well as given themes for content or form. The artists taking part in our summer touring season received a large number of bookings finally after their touring work with Applause the previous year had been reduced to almost zero. We continued to develop Inn Crowd commissions in partnership with National Centre for Writing as the programme increased scale of activity.

Create a rural touring model which is resilient and sustainable

A key development in the organisation during this period involved the full implementation of a new website and CRM system and consequently a new booking and administration system for both promoter and artist users and Applause staff. Our intention is that this major development will ensure we manage and promote our work efficiently and effectively in future years as we grow as an organisation. Partnerships have continued to feature strongly in our work and both established ones such as the Inn Crowd partnerships as well as new strategic and artistic partnerships and opportunities. Our contribution to wider strategic groups has continued and developed including working with Creative Estuary in North Kent and South Essex.

FINANCIAL REVIEW

The income of the charity amounted to £287,708 (2021: £537,819) with net expenditure of £93,715 (2021: net income of £264,874).

Reserves policy

The policy of the charity as at 31 March 2022 was to have free reserves of six months' operating costs to fund its work (budgeted at £85,693). The policy was revised from 1 April 2022 to have free reserves of five month's operating costs to enable further investment of unrestricted reserves. Unrestricted reserves at 31 March 2022 were £260,251 (2021: £228,782). As at 31 March 2022 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

Business planning for 23-26 began in 2022 as a precursor to an application to Arts Council England for the next National Portfolio period. Our outcome, in October 2022 for National Portfolio funding was favourable and will see an extension of our delivery both across Kent and Sussex and more formally into Essex. There is a significant development to extend our work across all of the areas we cover and the organisation will grow in line with this new delivery. A partial restructure of staffing and an office move will happen imminently. In 2022-23 we will be delivering a programme of work aligned much closer to Pre COVID 19 outputs and remain dedicated to rebuilding our core network of communities for longer term development.

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
13 December 2022

Applause Rural Touring

Statement of Financial Activities for the year ended 31 March 2022



	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
INCOME:							
Grants and donations		207,473	13,559	221,032	185,363	347,060	532,423
Touring programme income		57,474	8,075	65,549	4,425	(700)	3,725
Bank interest		1,127	-	1,127	1,671	-	1,671
TOTAL INCOME		266,074	21,634	287,708	191,459	346,360	537,819
EXPENDITURE:							
Touring programme artists' fees		81,284	29,950	111,234	7,400	2,400	9,800
Artist development		21,150	18,349	39,499	17,255	49,999	67,254
Audience development & marketing		15,095	19,893	34,988	13,066	22,886	35,952
Staff training & development		2,150	1,000	3,150	57	2,600	2,657
Fundraising costs		177	-	177	455	-	455
Professional fees		720	-	720	720	-	720
Salaries & freelance staff costs		131,105	39,799	170,904	105,485	34,996	140,481
Travel costs		656	2,824	3,480	147	332	479
Premises costs		14,922	2,349	17,271	11,653	3,494	15,147
TOTAL EXPENDITURE		267,259	114,164	381,423	156,238	116,707	272,945
NET (EXPENDITURE)/INCOME	2	(1,185)	(92,530)	(93,715)	35,221	229,653	264,874
Transfers between funds		32,654	(32,654)	-	30,713	(30,713)	-
NET MOVEMENT IN FUNDS		31,469	(125,184)	(93,715)	65,934	198,940	264,874
TOTAL FUNDS AT 1 APRIL 2021		228,782	285,494	514,276	162,848	86,554	249,402
TOTAL FUNDS AT 31 MARCH 2022		260,251	160,310	420,561	228,782	285,494	514,276

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 2022



	Note	£	2022 £	£	2021 £
CURRENT ASSETS					
Debtors	5	13,175		768	
Cash at bank and in hand		<u>433,241</u>		<u>530,291</u>	
		446,416		531,059	
LIABILITIES					
CREDITORS: amounts falling due within one year	6	<u>(25,855)</u>		<u>(16,783)</u>	
NET CURRENT ASSETS			<u>420,561</u>		<u>514,276</u>
NET ASSETS			<u>420,561</u>		<u>514,276</u>
FUNDS OF THE CHARITY					
Restricted funds	8		160,310		285,494
Unrestricted funds			<u>260,251</u>		<u>228,782</u>
TOTAL FUNDS			<u>420,561</u>		<u>514,276</u>

Signed on behalf of the trustees

Kat Portman Smith
Trustee
13 December 2022

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. 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.

Applause Rural Touring

Notes to the Accounts for the year ended 31 March 2022



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 31.03.22	Year Ended 31.03.21
2. <u>NET (EXPENDITURE)/INCOME</u>	£	£
Net (expenditure)/income is stated after charging:		
Rent payable under operating lease		
- Property	4,071	4,971
- Equipment	2,030	2,030
Independent Examiner's fee	<u>720</u>	<u>720</u>

Applause Rural Touring
Notes to the Accounts for the year ended 31 March 2022



	Year Ended <u>31.03.22</u>	Year Ended <u>31.03.21</u>
3. <u>STAFF COSTS AND NUMBERS</u>	£	£
Wages and Salaries	136,751	111,139
Social Security Costs	7,644	4,477
Pension Costs	<u>2,974</u>	<u>2,258</u>
	<u>147,369</u>	<u>117,874</u>

The average number of staff employed during the year was 6 (2021: 6). There were no employees with emoluments exceeding £60,000 per annum during the year.

Employee benefits totalled £34,421 (2021: £32,635) for the key management personnel of the charity.

4. TRUSTEES' REMUNERATION AND EXPENSES

During the year a total of £nil (2021: £nil) was paid to no (2021: none) trustee for reimbursement of travel expenses.

	<u>31.03.22</u> £	<u>31.03.21</u> £
5. <u>DEBTORS</u>		
Trade Debtors	11,850	20
Other Debtors	-	7
Prepayments	<u>1,325</u>	<u>741</u>
	<u>13,175</u>	<u>768</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade Creditors	12,499	3,924
Other Taxes and Social Security	3,099	2,605
Accruals and Deferred Income	9,663	9,689
Pensions Contributions	<u>594</u>	<u>565</u>
	<u>25,855</u>	<u>16,783</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 2021	-	275
Released to SOFA in year	-	-
Refunded in year	-	(275)
Receipts in the year deferred – events in 2022/23	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Applause Rural Touring
Notes to the Accounts for the year ended 31 March 2022



7. FINANCIAL COMMITMENTS

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

	<u>31.03.22</u>	<u>31.03.21</u>
	£	£
Within one year	1,861	2,444
Within two to five years	-	<u>1,522</u>
	<u>1,861</u>	<u>3,966</u>

8. RESTRICTED FUNDS

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
		£	£	£	£
Rother District Council	388	-	-	-	388
Inn Crowd Pubs+	285,106	21,634	(114,164)	(32,654)	159,922
	<u>285,494</u>	<u>21,634</u>	<u>(114,164)</u>	<u>(32,654)</u>	<u>160,310</u>

	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
	<u>86,554</u>	<u>346,360</u>	<u>(116,707)</u>	<u>(30,713)</u>	<u>285,494</u>

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 2022**

I report on the accounts for the year ended 31 March 2022, 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.

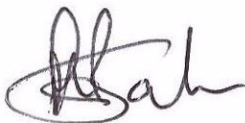
Independent examiner's statement

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: 13/12 2022