



ART CARE EDUCATION

Making the difference by enhancing lives through art

Business Plan

Prepared: September 2021

Art Care Education
Old Town Hall
Market Place
Somerton
Somerset
TA11 7NB

Charity Number: 1166886

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hello@acearts.co.uk
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IN BRIEF

Art Care Education has been established for over five years and continues to grow, both within the community and in the wider art world. Our annual programme of exhibitions underpins all the other work we do: supporting local artists and makers; working with specific groups through our outreach programme; and holding workshops, classes, group meetings and other events. We aim to inspire everyone to engage with art in some way for their well-being, personal growth and development, whatever their circumstances. We believe everyone can, and should, benefit from creativity.

We want to remain a valuable part of our local community, in our beautiful building, centrally based in this picturesque, historic town. We want to remain financially stable, independent and able to offer art-based opportunities to all, whilst continuing to support local artists.

ABOUT THE CHARITY

Art Care Education, known as ACE & ACEarts, was created in 2016 starting out in The Courthouse, West Street whilst renovations were completed on our current building. The charity then moved into The Old Town Hall, a centrally located listed building with a ground floor retail space and upper gallery area. Exhibitions began in January 2017 with works by three local artists and we continue to expand our annual exhibition programme and the range of work by local artists sold in the retail space. We introduced events and workshops to complement the gallery shows and commenced our outreach projects in February 2017, working with a local school. In our fifth year ACE is now an important part of both the local artists' community and the town's growing population. We have a small team, led by our Gallery Manager, all of whom offer a warm welcome and extensive knowledge of the exhibitions and items for sale.

AIM AND PURPOSE

The charity's aim is to provide art and creative activity to inspire, empower and enable people to develop and grow. We pursue this objective through the delivery of an annual programme of exhibitions, associated workshops and creative activities designed to encourage people of all ages and abilities to benefit from engagement with the arts. A significant proportion of our work focuses on the mutual benefits that can be derived from activities which combine art, healthcare and education hence the name of our charity. More specifically, the three strands work both individually and collectively as follows:

Art: enabling art and crafts people to have an opportunity to bring their work into the public domain – giving them the chance to display and sell their work to the public via the retail space, through exhibitions and to connect directly with their audience

Care: working closely with other organisations to bring creativity into the lives of the people who use their services, with a focus on health and wellbeing for the local community, especially older people, school aged children and those with mental health difficulties and learning differences.

Education: providing workshops and courses for all members of the local community to attend and to become involved in “art” in the broadest sense;

increased gallery engagement through artist talks and resource packs themed on current exhibitions.

WHAT WE DO

Within our dedicated exhibition space in the upper part of the building we present an inspiring annual programme of free exhibitions. These exhibitions provide a platform predominately for local artists, but also some national ones. We are delighted with the response that we have received from a wide range of artists and makers who continue to contribute to our broad spectrum of exhibitions since starting in January 2017.

Alongside the programme of exhibitions, we deliver events, workshops, talks and activities that complement and enhance the exhibits. Our latest being the 2021 Summer School – a series of subsidised family friendly courses running alongside 'Putting on a Show', a community exhibition showcasing the puppets made by local school children and older residents during sessions facilitated by a local artist. Summer school offers everyone the opportunity to take part in a wide range of art and craft-based activities in the inspiring gallery surroundings and this year included producing their own additions to the show.

The lower floor of the building is dedicated to a retail space/gallery where up to 100 local artists display and sell their work to the general public. ACE curates this space and receives 45% from the sale of each item, all profits go towards the delivery of our charitable activities. As a result of restrictions and lockdowns in 2020, the charity worked on our digital development with free online courses and the introduction of the on-line shop. This showcases a curated range of the items available in store and items commissioned by the charity from local artists, all supported by a grant from Arts Council England.

WHO WE DO IT FOR?

We aim to provide accessible community art and craft-based activities to everyone - we would like to reach all of the local community, but we also see ourselves as an interesting tourist addition to our beautiful town. We encourage everyone to participate in creativity in some way; by visiting an exhibition, browsing our retail space, attending one off cultural event or by being involved in one of many outreach projects.

To further this end, we have created a short questionnaire for all residents of Somerton to complete – we want to discover which art-based activities would inspire more people to become involved with the charity in some capacity.

Another goal of the charity is to encourage and assist the development of local artists, by exhibiting their work both in the gallery and the retail space and by asking them to be facilitators and tutors for our workshops and outreach projects. We believe that paying the full recommended rate for artists is also an important part of supporting them in their personal and professional growth.

WHAT WE HOPE TO ACHIEVE

Our Vision Statement (Where we want to be)

Making a difference by enhancing lives through art.

Our Mission Statement (our overall purpose)

Preservation of the Old Town Hall as a place where artists and crafts people can engage with the public, providing a sales space and gallery area for exhibitions. The provision of educational opportunities and workshops, community engagement events and arts events that promote health and wellbeing.

Financial Stability

Although successful in accessing funding for projects, we need to access larger funding pots to cover core costs and improve financial stability. Demonstrating community involvement and security of the building are fundamental to this. We will continue to seek funding for both core and project costs as well as looking at additional ways to fundraise including regular giving, Somerton Market, sales through eBay and other community events.

Expanding the Range of Activities

Broadening the range of activities in the building will maximise its use and increase income. The Second Space exhibition area should increase footfall and enable us to support the advancement of emerging artists. Utilising the space in the evenings by holding a varied range of events (under the 'ACE Late' marketing banner) and a licence to serve alcohol will attract different people into the gallery. We will work with more local artists to show their work in our main gallery or the Second Space where we will champion under-represented groups such as emerging or returning to practice artists – exhibiting and viewing in either gallery will remain free to all.

Engaging with art can have a very positive effect on mental health. We want to focus more on this area, particularly as we emerge from the pandemic, which has had a significant impact on young people. We are keen to explore the benefits of intergenerational work, and a proposal was made to access research expertise to help develop what we offer. We want to expand the range of outreach projects we can undertake and as well as those mentioned above, and to remain working with those sections of the community who find it harder to access art-based experiences.

Marketing

We need to develop a marketing strategy to widen the publicity and increase the number of people visiting, attracting people who wouldn't normally visit a gallery. This will include expanding our social media output to cover Twitter and Pinterest as well as increased presence on Facebook and Instagram.

We want to increase our profile in the local community, so we are undertaking a survey to find out what the community would like from us. This information will also help us to access core funding streams by evidencing the local requirement for what we do and what we would like to do. We will analyse the results of the survey to assess where we can best offer art experiences to reach a wider and more diverse audience. This would be reflected in increased visitor numbers, greater digital reach and more people added to our mailing list.

We have a fantastic volunteer base who can help with many aspects of the charity including its successful promotion and we need to consider how best we can utilise them moving forward.

Although we aim to be a local hub, we also want to attract visitors from further afield and become a regional / national destination. We should tap into the increased popularity of other local art-focused destinations such as Bruton and Frome. We will continue to consider the potential synergy with other organisations locally.

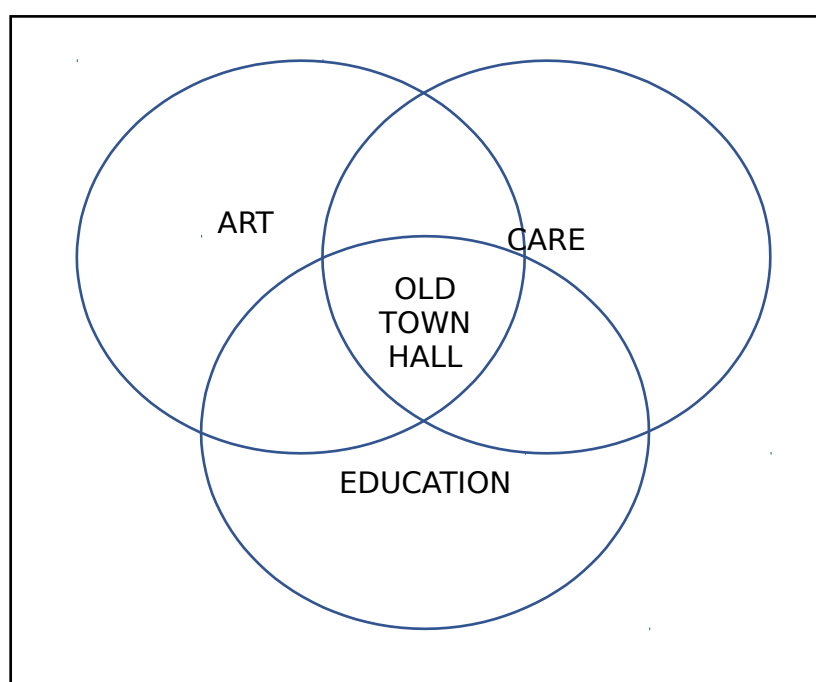
Broaden Trustee Base

We are conscious that our trustees are drawn predominately from those around retirement age. In order to achieve a better balance, they are seeking to recruit a new trustee from a younger age group.

Securing the Building

The gallery and exhibitions are central to ACE's activities - Art, Care and Education. As such our long-term plan is to purchase the building and we will be looking at the various options available to ensure we are able do so. Buying our beautiful property will ensure more financial stability, independence and security for the charity, our network of local artists and the community as a whole.

It would also mean we could invest further in the building to make it more accessible, for instance by installing a lift. The ability to isolate access to the shop with a glass partition around the main entrance will enable us to more easily hold independent events in the gallery.



OUR PEOPLE

The charity currently has 6 / 7 trustees, they are:

- Sir John Sebastian Chance – Chair, local professional artist and ex-art teacher
- Alyson Martin MBE –Director of a local company
- Frank Martin – Local ceramic artist and founding trustee
- Shirley Chapman – Currently working for local company
- Andrew Elfick – retired management consultant
- **Mary-Clare Rodwell – waiting decisions**
- Lucy Knapp – gallery assistant at ACE (Young trustee)

The gallery has been managed since its inception by Nina Gronw-Lewis, an experienced artist whose expertise and enthusiasm ensures the charity remains a great amenity for artists and participants alike. She is supported by a small, friendly and knowledgeable part-time team comprising 2 Gallery Assistants, an Outreach Coordinator, a Fundraiser and a Finance Officer. We currently have a young person working with us through the Kickstart scheme.

The Gallery benefits from the contribution of a growing band of volunteers. Volunteer numbers have grown considerably since inception and now stand at over 40. Volunteers contribute in varying ways:

- supporting the gallery by attending the opening of exhibitions
- stewarding exhibitions
- offering practical help, e.g., making tea, talking to visitors
- contributing financially to the charity
- organising and supporting fundraising events
- or just supporting the charity in spirit

We need to consider further how we can best utilise these volunteers to increase awareness of the charity and what it does.

Our patron is John Bailey (Director of The Stepping Stone Group), who offers continuing support to ACE.

FINANCIALS

Detailed Statement of Financial Activities for the year ending 31 March 2021:

Income from:	
Sales	£49,321
Donations and legacies	£5,708
Gift Aid tax reclaimed	£3,987
Trusts and foundations	£66,000
UK Government grants	£16,503
Rent donation	£10,500
Investment Income	
Total Income	<u>£152,027</u>
Expenditure on:	
Raising funds	(£97,873)
Charitable activities	(31,079)
Total Expenditure	<u>(£128,95)</u>

	<u>2)</u>
Transfer between funds	£23,075
Total funds brought forward	<u>£13,925</u>
Total Funds carried forward	<u><u>£37,000</u></u>

Balance Sheet for the year ending 31 March 2021:

Fixed assets	£1,483
Current assets	£46,832
Creditors with amounts falling due within one year	(£1,315)
Net current assets	<u>£45,517</u>
Total assets less current liabilities	£47,000
Creditors amounts falling due after more than one year	(£10,000)
Net assets	<u>£37,000</u>
Total funds of the charity	<u><u>£37,000</u></u>

Income

The charity generates income in the following ways:

- Cash sales – 45% of the sales price of items sold from the exhibitions or the retail space
- Classes and workshops – participants are charged to attend, with prices varying by course
- Grants, fundraising and donations

Grant Funding

The charity has received over £74,000 in grants in the last financial year and carried over £7,000 from the previous one due to lockdown restrictions, all of which has helped ACE over these challenging times.

Funder	Amount	Project
Arts Society	1500	Outreach project
Somerset Community Fund	1500	Exhibition
National Lottery 25 th Birthday	1000	Project based
Awards for All	2250	Putting on a Show

Somerton Town Council	750	Putting on a Show
Arts Council England	18000	Digital Development
Arts Council England	50000	Core and ongoing costs
Somerset Community Fund	3000	Woodland Wellbeing
Tesco Bags for Life Scheme	1000	Putting on a Show
WG Edwards	1500	Outreach - elderly specific
Tesco Bags of Help Covid	500	Art packs for those isolating
Co-op Community Fund	155+TBC	Summer School

Fundraising

Fundraising activities have been seriously curtailed this year due to lockdowns and tier restrictions, however the charity has raised the following:

- £1300 mostly from Facebook Marketplace, Ebay and clothes sales on other platforms
- £96 from Give as you Live platforms.
- £578 from the monthly Somerton market.

Donations

A local company, The Stepping Stone Group, is a major sponsor for the gallery and donations have also been received from individuals and other organisation totalling £619.

Gift Aid

The sum of £3986.66 includes monies received from the Museum and Exhibition tax back dated 3 years. We have applied for 2020/2021 and will be due approximately £500.

Regular monthly giving

Regular sums, totalling £521, help towards core costs.

Expenditure

The main items of expenditure are:

- Staff costs of employment
- Commission to artists and a small amount of ethically sourced bought in stock
- Rent, rates and utility bills for the Gallery building
- Advertising and PR
- Office and professional costs

Reserves Policy

ACE aims to retain a minimum of 3 months' costs in the bank.

Forecasts

Sales in gallery shop have risen steadily over the first 5 years of operation, but we do still need this to be supplemented by grant funding for the foreseeable future. Although we do now have an online shop, sales from this are limited due to the nature of items for sale – art and craft is very visual, and customers very often need to see the physical product to appreciate it fully.

Growth from sales is not expected to be huge and experience elsewhere advises that it will most likely reach a plateau and remain there – we could be there or very close currently. It is anticipated that the charity will continue to need around £30,000 per annum in grant funding to remain financially stable.

These are our aims & objectives for the next 5 years

Incremental Increase in visitors through door year on year

Supporting local artists & emerging artists

Maintaining and inspired exhibitions for the future

Continue good relationships with educational establishments and local community groups

Purchase of the Old Town Hall for future security and financial stability of the charity.

Increase funding activities

For Internal Use Only:

CRITICAL RISKS

The pandemic has been an unexpected and extremely critical risk to the business – without support from Arts Council England the charity would not have survived being closed for over half of the last financial year. The chance of this reoccurring remains probably the biggest risk for the organisation currently. Other risk factors include loss of key members of staff and potential loss of the building, through decrepitude or sale, it is currently on a short-term lease and the landlord is changing this year.

To minimise risk, we continue to seek suitable funding, have unrestricted reserves of around 2 – 3 months operating costs, and are looking at ways to purchase the building for the charity.

SWOT Analysis: Strengths, Weaknesses, Opportunities, Threats

Strengths

- Unique combination of supporting care and education through art
- Experience of Gallery Manager, volunteers and Trustees
- Strong connections with the art and care environments
- Having a willing body of volunteers
- Location in a unique historic building with high quality exhibition and sales space

- Situated in thriving market town of Somerton
- Our board members and the skills they bring
- Our target population are our demographic
- Our physical resources, our location, building and equipment
- Our programme, its variety and the audiences that brings.
- New post dedicated to funding and fundraising
- Providing opportunities for artists to develop and exhibit their work

Weaknesses

- Reliance on a small team of key individuals
- Reliance on the goodwill of volunteers
- Lack of core funding
- Not as well known in local community as we'd like to be

Opportunities

- Delivery of more outreach services into care and education settings
- Becoming a Dementia Friendly Gallery
- The gallery is a great physical environment
- Somerton is a growing town
- The town is on a good bus route
- Cementing closer relationships with the town
- Partnering with other organisations
- Developing relationships with galleries and Art organisations in the South West region and beyond
- Links with HE institutions

Threats

- Lacking charitable investment
- Uncertainty regarding long term future of the building
- Uncertainty around easing of restrictions post-Covid and the economy
- School moving further away
- Lack of public support

Company registration number: 09815245

Charity registration number: 1166886

Art Care Education

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Accounting Angels (SW) Ltd
Walker House
Market Place
Somerton
Somerset
TA11 7LX

Art Care Education

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Art Care Education

Reference and Administrative Details

Trustees	Mrs Alyson Lynne Martin
	Mr Hugh Francis Rex Martin
	Mr Sebastian Chance
	Mrs Shirley Ann Chapman
	Dr David Lines
	Mr Andrew Elffick
	Mr John Bailey..
Principal Office	Art Care and Education Market Place Somerton Somerset TA11 7NB
Company Registration Number	09815245
Charity Registration Number	1166886
Independent Examiner	Accounting Angels (SW) Ltd Walker House Market Place Somerton Somerset TA11 7LX
Accountants	Accounting Angels (SW) Ltd Walker House Market Place Somerton Somerset TA11 7LX

Art Care Education

Strategic Report for the Year Ended 31 March 2021

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2021, in compliance with s414C of the Companies Act 2006.

The strategic report was approved by the trustees of the charity on 27 May 2021 and signed on its behalf by:

.....
Mr Hugh Francis Rex Martin
Trustee

Art Care Education

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

Objectives and activities

Public benefit

[Activities undertaken to further public benefit](#)

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Art Care Education

Trustees' Report

The annual report was approved by the trustees of the charity on 27 May 2021 and signed on its behalf by:

.....
Mr Hugh Francis Rex Martin
Trustee

Art Care Education

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Art Care Education for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 27 May 2021 and signed on its behalf by:

.....
Mr Hugh Francis Rex Martin
Trustee

Art Care Education

Independent Examiner's Report to the trustees of Art Care Education

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 7 to 18.

Respective responsibilities of trustees and examiner

As the charity's trustees of Art Care Education (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Art Care Education are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Art Care Education as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

.....
Mrs L Wright MAAT ACA
Chartered Accountant

Walker House
Market Place
Somerton
Somerset
TA11 7LX

27 May 2021

Art Care Education

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2021 £
Income and Endowments from:			
Donations and legacies	3	152,019	152,019
Investment income	4	<u>8</u>	<u>8</u>
Total income		<u>152,027</u>	<u>152,027</u>
Expenditure on:			
Raising funds	5	(97,873)	(97,873)
Charitable activities	6	<u>(31,079)</u>	<u>(31,079)</u>
Total expenditure		<u>(128,952)</u>	<u>(128,952)</u>
Net income		<u>23,075</u>	<u>23,075</u>
Net movement in funds		23,075	23,075
Reconciliation of funds			
Total funds brought forward		<u>13,925</u>	<u>13,925</u>
Total funds carried forward	21	<u>37,000</u>	<u>37,000</u>
	Note	Unrestricted funds £	Total 2020 £
Income and Endowments from:			
Donations and legacies	3	144,878	144,878
Investment income	4	<u>2</u>	<u>2</u>
Total income		<u>144,880</u>	<u>144,880</u>
Expenditure on:			
Raising funds	5	(99,225)	(99,225)
Charitable activities	6	<u>(33,826)</u>	<u>(33,826)</u>
Total expenditure		<u>(133,051)</u>	<u>(133,051)</u>
Net income		<u>11,829</u>	<u>11,829</u>
Net movement in funds		11,829	11,829
Reconciliation of funds			
Total funds brought forward		<u>2,095</u>	<u>2,095</u>
Total funds carried forward	21	<u>13,924</u>	<u>13,924</u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2020 is shown in note 21.

The notes on pages 9 to 18 form an integral part of these financial statements.

Art Care Education
(Registration number: 09815245)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	1,483	1,649
Current assets			
Stocks	14	2,000	2,550
Debtors	15	5,722	2,646
Cash at bank and in hand	16	39,110	8,395
		46,832	13,591
Creditors: Amounts falling due within one year	17	(1,315)	(1,316)
Net current assets		45,517	12,275
Total assets less current liabilities		47,000	13,924
Creditors: Amounts falling due after more than one year	18	(10,000)	-
Net assets		37,000	13,924
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		37,000	13,924
Total funds	21	37,000	13,924

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 7 to 18 were approved by the trustees, and authorised for issue on 27 May 2021 and signed on their behalf by:

.....
Mr Hugh Francis Rex Martin
Trustee

The notes on pages 9 to 18 form an integral part of these financial statements.

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Charity status

The charity is limited by share capital, incorporated in .

The address of its registered office is:

Walker House
Market Place
Somerton
Somerset
TA11 7LZ

These financial statements were authorised for issue by the trustees on 27 May 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements 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). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Art Care Education 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 notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

- (i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
- (ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
- (iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Legacies	5,708	5,708
Gift aid reclaimed	3,987	3,987
Grants, including capital grants;		
Government grants	16,503	16,503
Regular giving and capital donations	49,321	49,321
Gifts in kind	10,500	10,500
Total for 2021	<u>86,019</u>	<u>86,019</u>
Total for 2020	<u>144,878</u>	<u>144,878</u>

4 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	8	8
Total for 2021	<u>8</u>	<u>8</u>
Total for 2020	<u>2</u>	<u>2</u>

5 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Costs of goods sold		59,269	59,269
Total for 2021		<u>59,269</u>	<u>59,269</u>
Total for 2020		<u>59,824</u>	<u>59,824</u>

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

			Total costs £
6 Expenditure on charitable activities			
	Note	Unrestricted funds General £	Total funds £
Governance costs	7	31,079	31,079
Total for 2020		33,826	33,826
			Total expenditure £

In addition to the expenditure analysed above, there are also governance costs of £31,079 (2020 - £33,826) which relate directly to charitable activities. See note 7 for further details.

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Staff costs		
Pension costs	926	926
Audit fees		
Other fees paid to auditors	1,554	1,554
Legal fees	600	600
Marketing and publicity	1,374	1,374
Depreciation, amortisation and other similar costs	589	589
Other governance costs	26,036	26,036
Total for 2021	<u>31,079</u>	<u>31,079</u>
Total for 2020	<u>33,826</u>	<u>33,826</u>

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

8 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Depreciation of fixed assets	589	691

9 Trustees remuneration and expenses

10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	38,604	39,401
Pension costs	926	1,100
Other staff costs	-	35
	39,530	40,536

No employee received emoluments of more than £60,000 during the year.

11 Auditors' remuneration

	2021 £	2020 £
Other fees to auditors		
The auditing of accounts of any associate of the charity	1,554	738

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 April 2020	3,196	3,196
Additions	<u>422</u>	<u>422</u>
At 31 March 2021	<u>3,618</u>	<u>3,618</u>
Depreciation		
At 1 April 2020	1,547	1,547
Charge for the year	<u>588</u>	<u>588</u>
At 31 March 2021	<u>2,135</u>	<u>2,135</u>
Net book value		
At 31 March 2021	<u>1,483</u>	<u>1,483</u>
At 31 March 2020	<u>1,649</u>	<u>1,649</u>

14 Stock

	2021 £	2020 £
Stocks	<u>2,000</u>	<u>2,550</u>

15 Debtors

	2021 £	2020 £
Trade debtors	5,722	2,645
Other debtors	<u>-</u>	<u>1</u>
	<u>5,722</u>	<u>2,646</u>

16 Cash and cash equivalents

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

	2021 £	2020 £
Cash on hand	50	112
Cash at bank	1,891	1,200
Short-term deposits	37,169	7,083
	<u>39,110</u>	<u>8,395</u>

17 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	162	118
Other taxation and social security	405	387
Other creditors	176	199
Accruals	572	612
	<u>1,315</u>	<u>1,316</u>

18 Creditors: amounts falling due after one year

	2021 £
Bank loans	<u>10,000</u>

19 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £926 (2020 - £1,100).

20 Share capital

21 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted funds				
General	<u>13,925</u>	<u>152,027</u>	<u>(128,952)</u>	<u>37,000</u>

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
Unrestricted funds				
General	<u>2,095</u>	<u>144,880</u>	<u>(133,051)</u>	<u>13,924</u>

22 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 March 2021 £
Tangible fixed assets	1,483	1,483
Current assets	46,832	46,832
Current liabilities	(1,315)	(1,315)
Creditors over 1 year	<u>(10,000)</u>	<u>(10,000)</u>
Total net assets	<u>37,000</u>	<u>37,000</u>
	Unrestricted funds General £	Total funds at 31 March 2020 £
Tangible fixed assets	1,649	1,649
Current assets	13,591	13,591
Current liabilities	<u>(1,316)</u>	<u>(1,316)</u>
Total net assets	<u>13,924</u>	<u>13,924</u>

23 Analysis of net funds

	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	<u>8,395</u>	<u>(8,395)</u>	-
Net debt	<u>8,395</u>	<u>(8,395)</u>	-
	At 1 April 2019 £	Financing cash flows £	At 31 March 2020 £
Cash at bank and in hand	<u>1,349</u>	<u>(1,349)</u>	-
Net debt	<u>1,349</u>	<u>(1,349)</u>	-

Art Care Education

Statement of Financial Activities by fund for the Year Ended 31 March 2021

Unrestricted Funds

	Total Unrestricted Funds 2021 £	Total Unrestricted Funds 2020 £
Income and Endowments from:		
Donations and legacies	152,019	144,878
Investment income	<u>8</u>	<u>2</u>
Total income	<u>152,027</u>	<u>144,880</u>
Expenditure on:		
Raising funds	(97,873)	(99,225)
Charitable activities	<u>(31,079)</u>	<u>(33,826)</u>
Total expenditure	<u>(128,952)</u>	<u>(133,051)</u>
Net income	<u>23,075</u>	<u>11,829</u>
Net movement in funds	23,075	11,829
Reconciliation of funds		
Total funds brought forward	<u>13,925</u>	<u>2,095</u>
Total funds carried forward	<u><u>37,000</u></u>	<u><u>13,924</u></u>

Art Care Education

Detailed Statement of Financial Activities for the Year Ended 31 March 2021

	Total 2021 £	Total 2020 £
Income and Endowments from:		
Donations and legacies (analysed below)	152,019	144,878
Investment income (analysed below)	<u>8</u>	<u>2</u>
Total income	<u>152,027</u>	<u>144,880</u>
Expenditure on:		
Raising funds (analysed below)	(97,873)	(99,225)
Charitable activities (analysed below)	<u>(31,079)</u>	<u>(33,826)</u>
Total expenditure	<u>(128,952)</u>	<u>(133,051)</u>
Net income	<u>23,075</u>	<u>11,829</u>
Net movement in funds	23,075	11,829
Reconciliation of funds		
Total funds brought forward	<u>13,925</u>	<u>2,095</u>
Total funds carried forward	<u><u>37,000</u></u>	<u><u>13,924</u></u>

Art Care Education

Detailed Statement of Financial Activities for the Year Ended 31 March 2021

	Total 2021 £	Total 2020 £
<i>Donations and legacies</i>		
Sales	49,321	81,524
Donations and legacies	5,708	37,070
Gift Aid tax reclaimed	3,987	2,784
Trusts and foundations	66,000	-
UK Government grants	16,503	-
Rent Donation	10,500	23,500
	<u>152,019</u>	<u>144,878</u>
<i>Investment income</i>		
Interest on cash deposits	<u>8</u>	<u>2</u>
	<u>8</u>	<u>2</u>
<i>Raising funds</i>		
Opening stock	(2,550)	(2,900)
Purchases	(5,245)	(5,956)
Direct costs	(52,490)	(46,494)
Closing stock	2,000	2,550
Wages and salaries	(38,604)	(39,401)
Subcontract cost	<u>(984)</u>	<u>(7,024)</u>
	<u>(97,873)</u>	<u>(99,225)</u>
<i>Charitable activities</i>		
Staff pensions (Defined contribution) - pension scheme 1	(926)	(1,100)
Staff training	-	(35)
Rent	(19,500)	(18,725)
Rates	(362)	(1,015)
Light, heat and power	(1,381)	(2,102)
Insurance	(916)	(874)
Repairs and maintenance	(832)	(1,047)
Telephone and fax	(605)	(778)
Computer software and maintenance costs	(462)	(688)
Printing, postage and stationery	(330)	(2,042)
Trade subscriptions	(1,077)	(90)
Charitable donations	(50)	(50)
Sundry expenses	(521)	(756)
Advertising	(1,374)	(3,060)
Accountancy fees	(1,554)	(738)
Legal and professional fees	(600)	(35)
Depreciation of fixtures and fittings	<u>(589)</u>	<u>(691)</u>

This page does not form part of the statutory financial statements.

Art Care Education

Detailed Statement of Financial Activities for the Year Ended 31 March 2021

Total 2021 £	Total 2020 £
<u>(31,079)</u>	<u>(33,826)</u>

Company registration number: 09815245

Charity registration number: 1166886

Art Care Education

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Accounting Angels (SW) Ltd
Walker House
Market Place
Somerton
Somerset
TA11 7LX

Art Care Education

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Art Care Education

Reference and Administrative Details

Trustees	Mrs Alyson Lynne Martin Mr Hugh Francis Rex Martin Mr Sebastian Chance Mrs Shirley Ann Chapman Dr David Lines Mr Andrew Elffick Mr John Bailey..
Principal Office	Art Care and Education Market Place Somerton Somerset TA11 7NB
Company Registration Number	09815245
Charity Registration Number	1166886
Independent Examiner	Accounting Angels (SW) Ltd Walker House Market Place Somerton Somerset TA11 7LX
Accountants	Accounting Angels (SW) Ltd Walker House Market Place Somerton Somerset TA11 7LX

Art Care Education

Strategic Report for the Year Ended 31 March 2021

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2021, in compliance with s414C of the Companies Act 2006.

The strategic report was approved by the trustees of the charity on 27 May 2021 and signed on its behalf by:

.....
Mr Hugh Francis Rex Martin
Trustee

Art Care Education

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

Objectives and activities

Public benefit

[Activities undertaken to further public benefit](#)

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Art Care Education

Trustees' Report

The annual report was approved by the trustees of the charity on 27 May 2021 and signed on its behalf by:

.....
Mr Hugh Francis Rex Martin
Trustee

Art Care Education

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Art Care Education for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 27 May 2021 and signed on its behalf by:

.....
Mr Hugh Francis Rex Martin
Trustee

Art Care Education

Independent Examiner's Report to the trustees of Art Care Education

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 7 to 18.

Respective responsibilities of trustees and examiner

As the charity's trustees of Art Care Education (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Art Care Education are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Art Care Education as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

.....
Mrs L Wright MAAT ACA
Chartered Accountant

Walker House
Market Place
Somerton
Somerset
TA11 7LX

27 May 2021

Art Care Education

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2021 £
Income and Endowments from:			
Donations and legacies	3	152,019	152,019
Investment income	4	<u>8</u>	<u>8</u>
Total income		<u>152,027</u>	<u>152,027</u>
Expenditure on:			
Raising funds	5	(97,873)	(97,873)
Charitable activities	6	<u>(31,079)</u>	<u>(31,079)</u>
Total expenditure		<u>(128,952)</u>	<u>(128,952)</u>
Net income		<u>23,075</u>	<u>23,075</u>
Net movement in funds		23,075	23,075
Reconciliation of funds			
Total funds brought forward		<u>13,925</u>	<u>13,925</u>
Total funds carried forward	21	<u>37,000</u>	<u>37,000</u>
	Note	Unrestricted funds £	Total 2020 £
Income and Endowments from:			
Donations and legacies	3	144,878	144,878
Investment income	4	<u>2</u>	<u>2</u>
Total income		<u>144,880</u>	<u>144,880</u>
Expenditure on:			
Raising funds	5	(99,225)	(99,225)
Charitable activities	6	<u>(33,826)</u>	<u>(33,826)</u>
Total expenditure		<u>(133,051)</u>	<u>(133,051)</u>
Net income		<u>11,829</u>	<u>11,829</u>
Net movement in funds		11,829	11,829
Reconciliation of funds			
Total funds brought forward		<u>2,095</u>	<u>2,095</u>
Total funds carried forward	21	<u>13,924</u>	<u>13,924</u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2020 is shown in note 21.

The notes on pages 9 to 18 form an integral part of these financial statements.

Art Care Education
(Registration number: 09815245)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	1,483	1,649
Current assets			
Stocks	14	2,000	2,550
Debtors	15	5,722	2,646
Cash at bank and in hand	16	39,110	8,395
		46,832	13,591
Creditors: Amounts falling due within one year	17	(1,315)	(1,316)
Net current assets		45,517	12,275
Total assets less current liabilities		47,000	13,924
Creditors: Amounts falling due after more than one year	18	(10,000)	-
Net assets		37,000	13,924
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		37,000	13,924
Total funds	21	37,000	13,924

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 7 to 18 were approved by the trustees, and authorised for issue on 27 May 2021 and signed on their behalf by:

.....
Mr Hugh Francis Rex Martin
Trustee

The notes on pages 9 to 18 form an integral part of these financial statements.

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Charity status

The charity is limited by share capital, incorporated in .

The address of its registered office is:

Walker House
Market Place
Somerton
Somerset
TA11 7LZ

These financial statements were authorised for issue by the trustees on 27 May 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements 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). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Art Care Education 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 notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

- (i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
- (ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
- (iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Legacies	5,708	5,708
Gift aid reclaimed	3,987	3,987
Grants, including capital grants;		
Government grants	16,503	16,503
Regular giving and capital donations	49,321	49,321
Gifts in kind	10,500	10,500
Total for 2021	<u>86,019</u>	<u>86,019</u>
Total for 2020	<u>144,878</u>	<u>144,878</u>

4 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	8	8
Total for 2021	<u>8</u>	<u>8</u>
Total for 2020	<u>2</u>	<u>2</u>

5 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Costs of goods sold		59,269	59,269
Total for 2021		<u>59,269</u>	<u>59,269</u>
Total for 2020		<u>59,824</u>	<u>59,824</u>

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

			Total costs £
6 Expenditure on charitable activities			
	Note	Unrestricted funds General £	Total funds £
Governance costs	7	31,079	31,079
Total for 2020		33,826	33,826
			Total expenditure £

In addition to the expenditure analysed above, there are also governance costs of £31,079 (2020 - £33,826) which relate directly to charitable activities. See note 7 for further details.

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Staff costs		
Pension costs	926	926
Audit fees		
Other fees paid to auditors	1,554	1,554
Legal fees	600	600
Marketing and publicity	1,374	1,374
Depreciation, amortisation and other similar costs	589	589
Other governance costs	26,036	26,036
Total for 2021	<u>31,079</u>	<u>31,079</u>
Total for 2020	<u>33,826</u>	<u>33,826</u>

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

8 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Depreciation of fixed assets	589	691

9 Trustees remuneration and expenses

10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	38,604	39,401
Pension costs	926	1,100
Other staff costs	-	35
	39,530	40,536

No employee received emoluments of more than £60,000 during the year.

11 Auditors' remuneration

	2021 £	2020 £
Other fees to auditors		
The auditing of accounts of any associate of the charity	1,554	738

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 April 2020	3,196	3,196
Additions	<u>422</u>	<u>422</u>
At 31 March 2021	<u>3,618</u>	<u>3,618</u>
Depreciation		
At 1 April 2020	1,547	1,547
Charge for the year	<u>588</u>	<u>588</u>
At 31 March 2021	<u>2,135</u>	<u>2,135</u>
Net book value		
At 31 March 2021	<u>1,483</u>	<u>1,483</u>
At 31 March 2020	<u>1,649</u>	<u>1,649</u>

14 Stock

	2021 £	2020 £
Stocks	<u>2,000</u>	<u>2,550</u>

15 Debtors

	2021 £	2020 £
Trade debtors	5,722	2,645
Other debtors	<u>-</u>	<u>1</u>
	<u>5,722</u>	<u>2,646</u>

16 Cash and cash equivalents

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

	2021 £	2020 £
Cash on hand	50	112
Cash at bank	1,891	1,200
Short-term deposits	37,169	7,083
	<u>39,110</u>	<u>8,395</u>

17 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	162	118
Other taxation and social security	405	387
Other creditors	176	199
Accruals	572	612
	<u>1,315</u>	<u>1,316</u>

18 Creditors: amounts falling due after one year

	2021 £
Bank loans	<u>10,000</u>

19 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £926 (2020 - £1,100).

20 Share capital

21 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted funds				
General	<u>13,925</u>	<u>152,027</u>	<u>(128,952)</u>	<u>37,000</u>

Art Care Education

Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
Unrestricted funds				
General	<u>2,095</u>	<u>144,880</u>	<u>(133,051)</u>	<u>13,924</u>

22 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 March 2021 £
Tangible fixed assets	1,483	1,483
Current assets	46,832	46,832
Current liabilities	(1,315)	(1,315)
Creditors over 1 year	<u>(10,000)</u>	<u>(10,000)</u>
Total net assets	<u>37,000</u>	<u>37,000</u>
	Unrestricted funds General £	Total funds at 31 March 2020 £
Tangible fixed assets	1,649	1,649
Current assets	13,591	13,591
Current liabilities	<u>(1,316)</u>	<u>(1,316)</u>
Total net assets	<u>13,924</u>	<u>13,924</u>

23 Analysis of net funds

	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	<u>8,395</u>	<u>(8,395)</u>	-
Net debt	<u>8,395</u>	<u>(8,395)</u>	-
	At 1 April 2019 £	Financing cash flows £	At 31 March 2020 £
Cash at bank and in hand	<u>1,349</u>	<u>(1,349)</u>	-
Net debt	<u>1,349</u>	<u>(1,349)</u>	-

Art Care Education

Statement of Financial Activities by fund for the Year Ended 31 March 2021

Unrestricted Funds

	Total Unrestricted Funds 2021 £	Total Unrestricted Funds 2020 £
Income and Endowments from:		
Donations and legacies	152,019	144,878
Investment income	<u>8</u>	<u>2</u>
Total income	<u>152,027</u>	<u>144,880</u>
Expenditure on:		
Raising funds	(97,873)	(99,225)
Charitable activities	<u>(31,079)</u>	<u>(33,826)</u>
Total expenditure	<u>(128,952)</u>	<u>(133,051)</u>
Net income	<u>23,075</u>	<u>11,829</u>
Net movement in funds	23,075	11,829
Reconciliation of funds		
Total funds brought forward	<u>13,925</u>	<u>2,095</u>
Total funds carried forward	<u><u>37,000</u></u>	<u><u>13,924</u></u>

Art Care Education

Detailed Statement of Financial Activities for the Year Ended 31 March 2021

	Total 2021 £	Total 2020 £
Income and Endowments from:		
Donations and legacies (analysed below)	152,019	144,878
Investment income (analysed below)	<u>8</u>	<u>2</u>
Total income	<u>152,027</u>	<u>144,880</u>
Expenditure on:		
Raising funds (analysed below)	(97,873)	(99,225)
Charitable activities (analysed below)	<u>(31,079)</u>	<u>(33,826)</u>
Total expenditure	<u>(128,952)</u>	<u>(133,051)</u>
Net income	<u>23,075</u>	<u>11,829</u>
Net movement in funds	23,075	11,829
Reconciliation of funds		
Total funds brought forward	<u>13,925</u>	<u>2,095</u>
Total funds carried forward	<u><u>37,000</u></u>	<u><u>13,924</u></u>

Art Care Education

Detailed Statement of Financial Activities for the Year Ended 31 March 2021

	Total 2021 £	Total 2020 £
<i>Donations and legacies</i>		
Sales	49,321	81,524
Donations and legacies	5,708	37,070
Gift Aid tax reclaimed	3,987	2,784
Trusts and foundations	66,000	-
UK Government grants	16,503	-
Rent Donation	10,500	23,500
	<u>152,019</u>	<u>144,878</u>
<i>Investment income</i>		
Interest on cash deposits	<u>8</u>	<u>2</u>
	<u>8</u>	<u>2</u>
<i>Raising funds</i>		
Opening stock	(2,550)	(2,900)
Purchases	(5,245)	(5,956)
Direct costs	(52,490)	(46,494)
Closing stock	2,000	2,550
Wages and salaries	(38,604)	(39,401)
Subcontract cost	<u>(984)</u>	<u>(7,024)</u>
	<u>(97,873)</u>	<u>(99,225)</u>
<i>Charitable activities</i>		
Staff pensions (Defined contribution) - pension scheme 1	(926)	(1,100)
Staff training	-	(35)
Rent	(19,500)	(18,725)
Rates	(362)	(1,015)
Light, heat and power	(1,381)	(2,102)
Insurance	(916)	(874)
Repairs and maintenance	(832)	(1,047)
Telephone and fax	(605)	(778)
Computer software and maintenance costs	(462)	(688)
Printing, postage and stationery	(330)	(2,042)
Trade subscriptions	(1,077)	(90)
Charitable donations	(50)	(50)
Sundry expenses	(521)	(756)
Advertising	(1,374)	(3,060)
Accountancy fees	(1,554)	(738)
Legal and professional fees	(600)	(35)
Depreciation of fixtures and fittings	<u>(589)</u>	<u>(691)</u>

This page does not form part of the statutory financial statements.

Art Care Education

Detailed Statement of Financial Activities for the Year Ended 31 March 2021

Total 2021 £	Total 2020 £
<u>(31,079)</u>	<u>(33,826)</u>