

Charity registration number: 1183770

City Arts Newbury

Annual Report and Financial Statements
for the Year Ended 31 December 2021

Opus Accounting Limited
Chartered Certified Accountants
Pound Court
Pound Street
Newbury
Berkshire
RG14 6AA

City Arts Newbury

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City Arts Newbury

Reference and Administrative Details

Chairman	Mrs D Pattenden
Trustees	Mrs S Jarvill Mrs D Pattenden Mrs L Hudson Ms A B Martin Mrs S Johnson, Treasurer
Secretary	Ms A B Martin
Charity Registration Number	1183770
Principal Office	10 Hampton Road Newbury Berkshire RG14
Independent Examiner	Opus Accounting Limited Chartered Certified Accountants Pound Court Pound Street Newbury Berkshire RG14 6AA

City Arts Newbury

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2021.

Objectives and activities

Objects and aims

To promote, maintain, improve and advance education and appreciation of the arts in all forms among the people of West Berkshire and the surrounding areas, in particular, but not limited to, by the provision of a community arts hub.

To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieve the needs of such people and assist them to integrate into and contribute to society, in particular by the provision of cohesive community arts events, volunteering opportunities and other such activities as the trustees determine

Objectives, strategies and activities

Increase artistic offering

Increase the reach of the Charity to the disadvantaged and isolated, and identify and establish key partnerships for the elderly and youth age groups.

Increase the number of workshops, exhibitions and events and the numbers permitted to attend as appropriate under pandemic conditions. Offer additional free drop-in art sessions. Improve the PR, presence and awareness in the community.

Public benefit

The charity publicises and promotes community events, artistic workshops and exhibitions throughout the year to enable the local community to participate in the creation of art and artisan products and to view and acquire the work of local artists.

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

Nature of governing document

City Arts Newbury is governed by a constitution, the structure and content of which is based on the standard Charity Commission template for a CIO.

Recruitment and appointment of trustees

Recruitment and appointment of Trustees follows the process outlined by the Charity Commission.

Organisational structure

Trustees meet approximately quarterly (or more frequently as required).

The following groups report into the Board of Trustees

- Management Committee, responsible for the day to day running of the activities of City Arts. This committee meets approximately every 3-4 weeks and more often as required.
- Fundraising Committee, responsible for planning and implementing fundraising initiatives and events. This committee meets as frequently as required, depending on planned activities, but typically every 2-3 months

City Arts Newbury

Trustees' Report

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.

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.

The Charity does not have any financial derivatives, does not hold investments and does not have long or short-term debt finance.

The annual report was approved by the trustees of the charity on 10/5/22 and signed on its behalf by:



Mrs D Pattenden
Chairman and Trustee

City Arts Newbury

Statement of Trustees' Responsibilities

The trustees 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.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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 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. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 10/5/22 and signed on its behalf by:



Mrs D Pattenden
Chairman and trustee

City Arts Newbury

Independent Examiner's Report to the trustees of City Arts Newbury

I report to the trustees on my examination of the accounts of City Arts Newbury for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of City Arts Newbury 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 City Arts Newbury'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 Act.

Independent examiner's statement

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 City Arts Newbury 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 accounting 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.



Nigel Gary Coombs FCCA
Chartered Certified Accountants
ACCA

Pound Court
Pound Street
Newbury
Berkshire
RG14 6AA

Date: 18 May 2022

City Arts Newbury

Statement of Financial Activities for the Year Ended 31 December 2021

	Note	Unrestricted funds £	Total 2021 £
Income and Endowments from:			
Donations and legacies		20,889	20,889
Charitable activities		10,499	10,499
Other trading activities		3,723	3,723
Other income		327	327
Total income		<u>35,438</u>	<u>35,438</u>
Expenditure on:			
Raising funds		(1,726)	(1,726)
Charitable activities		(8,404)	(8,404)
Other expenditure	8	<u>(26,104)</u>	<u>(26,104)</u>
Total expenditure		<u>(36,234)</u>	<u>(36,234)</u>
Net expenditure		<u>(796)</u>	<u>(796)</u>
Net movement in funds		(796)	(796)
Reconciliation of funds			
Total funds brought forward		<u>31,891</u>	<u>31,891</u>
Total funds carried forward	16	<u>31,095</u>	<u>31,095</u>
	Note	Unrestricted funds £	Total 2020 £
Income and Endowments from:			
Donations and legacies		13,446	13,446
Charitable activities		6,253	6,253
Other trading activities		<u>1,354</u>	<u>1,354</u>
Total income		<u>21,053</u>	<u>21,053</u>
Expenditure on:			
Raising funds		(1,966)	(1,966)
Charitable activities		(4,119)	(4,119)
Other expenditure	8	<u>(23,501)</u>	<u>(23,501)</u>
Total expenditure		<u>(29,586)</u>	<u>(29,586)</u>
Net expenditure		<u>(8,533)</u>	<u>(8,533)</u>
Net movement in funds		(8,533)	(8,533)
Reconciliation of funds			
Total funds brought forward		<u>40,424</u>	<u>40,424</u>
Total funds carried forward	16	<u>31,891</u>	<u>31,891</u>

The notes on pages 9 to 16 form an integral part of these financial statements.

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Statement of Financial Activities for the Year Ended 31 December 2021

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 16.

The notes on pages 9 to 16 form an integral part of these financial statements.

City Arts Newbury

(Registration number: 1183770)
Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Current assets			
Stocks	12	269	417
Debtors	13	385	395
Cash at bank and in hand	14	44,594	32,662
		<u>45,248</u>	<u>33,474</u>
Creditors: Amounts falling due within one year	15	<u>(14,153)</u>	<u>(1,583)</u>
Net assets		<u>31,095</u>	<u>31,891</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>31,095</u>	<u>31,891</u>
Total funds	16	<u>31,095</u>	<u>31,891</u>

The financial statements on pages 6 to 16 were approved by the trustees, and authorised for issue on 10/5/22 and signed on their behalf by:



Mrs S Johnson
Trustee

City Arts Newbury

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

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

City Arts Newbury meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

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.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

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.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

City Arts Newbury

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

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.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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.

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.

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

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 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.

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.

2 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations from individuals	3,192	3,192
Gift aid reclaimed	290	290
Grants, including capital grants;		
Donations from community groups	17,407	17,407
Total for 2021	20,889	20,889
Total for 2020	13,446	13,446

3 Income from charitable activities

City Arts Newbury

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

	Unrestricted funds General £	Total funds £
	10,499	10,499
Total for 2021	10,499	10,499
Total for 2020	6,253	6,253

4 Income from other trading activities

	Unrestricted funds General £	Total funds £
Events income;		
Other events income	2,511	2,511
Lotteries and competitions income	536	536
Other income from other trading activities	676	676
Total for 2021	3,723	3,723
Total for 2020	1,354	1,354

5 Other income

	Unrestricted funds General £	Total funds £
Rental income	325	325
Total for 2021	325	325

6 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds General £	Total funds £
Marketing and publicity	1,280	1,280
Total for 2021	1,280	1,280
Total for 2020	1,332	1,332

Note

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

b) Other costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Other direct costs		446	446
Total for 2021		446	446
Total for 2020		634	634
			Total costs £

7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2021 £	Total 2020 £
Workshop materials		188	188	15
Staff costs		8,216	8,216	4,104
		8,404	8,404	4,119
			Unrestricted funds General £	Total funds £
	Note		£	£
Staff costs			188	188
			8,216	8,216
Total for 2021			8,404	8,404
Total for 2020			4,119	4,119
				Total expenditure £

8 Other expenditure

City Arts Newbury

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

	Note	Unrestricted funds General £	Total funds £
Other resources expended		26,104	26,104
Total for 2021		<u>26,104</u>	<u>26,104</u>
Total for 2020		<u>23,501</u>	<u>23,501</u>

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Other staff costs	<u>8,216</u>	<u>4,104</u>

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

City Arts Newbury

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

11 Taxation

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

12 Stock

	2021 £	2020 £
Stocks	<u>269</u>	<u>417</u>

13 Debtors

	2021 £	2020 £
Prepayments	250	236
Other debtors	<u>135</u>	<u>159</u>
	<u>385</u>	<u>395</u>

14 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	53	-
Cash at bank	<u>44,541</u>	<u>32,662</u>
	<u>44,594</u>	<u>32,662</u>

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	447	-
Accruals	24	237
Deferred income	<u>13,682</u>	<u>1,346</u>
	<u>14,153</u>	<u>1,583</u>

16 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
Unrestricted funds				
General	<u>31,891</u>	<u>35,438</u>	<u>(36,234)</u>	<u>31,095</u>

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

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
General	<u>40,424</u>	<u>21,053</u>	<u>(29,586)</u>	<u>31,891</u>

17 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 December 2021 £
Current assets	45,248	45,248
Current liabilities	<u>(14,153)</u>	<u>(14,153)</u>
Total net assets	<u>31,095</u>	<u>31,095</u>
	Unrestricted funds General £	Total funds at 31 December 2020 £
Current assets	33,474	33,474
Current liabilities	<u>(1,583)</u>	<u>(1,583)</u>
Total net assets	<u>31,891</u>	<u>31,891</u>

18 Analysis of net funds

	At 1 January 2021 £	Financing cash flows £	At 31 December 2021 £
Cash at bank and in hand	<u>32,662</u>	<u>11,932</u>	<u>44,594</u>
Net debt	<u>32,662</u>	<u>11,932</u>	<u>44,594</u>

	At 1 January 2020 £	Financing cash flows £	At 31 December 2020 £
Cash at bank and in hand	<u>40,298</u>	<u>(7,636)</u>	<u>32,662</u>
Net debt	<u>40,298</u>	<u>(7,636)</u>	<u>32,662</u>

City Arts Newbury

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

	Total Unrestricted Funds 2021 £	Total Unrestricted Funds 2020 £
Income and Endowments from:		
Donations and legacies	20,889	13,446
Charitable activities	10,499	6,253
Other trading activities	3,723	1,354
Other income	327	-
Total income	<u>35,438</u>	<u>21,053</u>
Expenditure on:		
Raising funds	(1,726)	(1,966)
Charitable activities	(8,404)	(4,119)
Other expenditure	(26,104)	(23,501)
Total expenditure	<u>(36,234)</u>	<u>(29,586)</u>
Net expenditure	<u>(796)</u>	<u>(8,533)</u>
Net movement in funds	(796)	(8,533)
Reconciliation of funds		
Total funds brought forward	<u>31,891</u>	<u>40,424</u>
Total funds carried forward	<u>31,095</u>	<u>31,891</u>

City Arts Newbury

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

	Total 2021 £	Total 2020 £
Income and Endowments from:		
Donations and legacies (analysed below)	20,889	13,446
Charitable activities (analysed below)	10,499	6,253
Other trading activities (analysed below)	3,723	1,354
Other income (analysed below)	327	-
Total income	35,438	21,053
Expenditure on:		
Raising funds (analysed below)	(1,726)	(1,966)
Charitable activities (analysed below)	(8,404)	(4,119)
Other expenditure (analysed below)	(26,104)	(23,501)
Total expenditure	(36,234)	(29,586)
Net expenditure	(796)	(8,533)
Net movement in funds	(796)	(8,533)
Reconciliation of funds		
Total funds brought forward	31,891	40,424
Total funds carried forward	31,095	31,891

City Arts Newbury

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

	Total 2021 £	Total 2020 £
<i>Donations and legacies</i>		
Donations Received	2,788	3,295
Good exchange	395	-
Grants	17,407	10,000
Tax Reclaimed	290	151
Amazon Smile	9	-
	<u>20,889</u>	<u>13,446</u>
<i>Charitable activities</i>		
Workshops	<u>10,499</u>	<u>6,253</u>
	<u>10,499</u>	<u>6,253</u>
<i>Other trading activities</i>		
West Berks Lottery	536	495
Events	2,511	-
Christmas Fair	-	120
Apple juice	598	729
T Shirt Sales	18	-
Cards, Keyrings and Seed kits	-	10
Gift vouchers not used now expired	<u>60</u>	<u>-</u>
	<u>3,723</u>	<u>1,354</u>
<i>Other income</i>		
Other income	2	-
Rent Income	<u>325</u>	<u>-</u>
	<u>327</u>	<u>-</u>
<i>Raising funds</i>		
Apple Juice Costs	(446)	(634)
Advertising	(482)	(173)
PR (Literature & Brochures)	<u>(798)</u>	<u>(1,159)</u>
	<u>(1,726)</u>	<u>(1,966)</u>
<i>Charitable activities</i>		
Workshop Trainers	(7,976)	(3,894)
Workshop - Materials	(188)	(15)
Events & PR Manager	<u>(240)</u>	<u>(210)</u>
	<u>(8,404)</u>	<u>(4,119)</u>
<i>Other expenditure</i>		
Rent - 10 Hampton Road	(601)	(600)

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

City Arts Newbury

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

	Total 2021 £	Total 2020 £
Rent - Other	-	(135)
Electricity	(581)	(385)
Travelling	(41)	(1)
Printing	-	(27)
Postage and Carriage	-	(9)
Office Stationery	(39)	-
Computer and software	(116)	(80)
Repairs and Renewals	(326)	(158)
Cleaning	(44)	-
Building works	(22,347)	(20,113)
Insurance	(122)	(122)
Refreshments	(35)	(75)
Sundry Expenses	(10)	(96)
Go Cardless & SumUp	-	(269)
Website	(1,095)	(1,024)
Accountancy Fees	(300)	(300)
Good Exchange admin fees	(32)	(7)
Stripe Fees	(325)	-
Sponsorship gifts	(90)	(100)
	<u>(26,104)</u>	<u>(23,501)</u>