

Charity registration number 276998

Company registration number 01393436 (England and Wales)

**WARE ARTS CENTRE LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 29 FEBRUARY 2024**

# WARE ARTS CENTRE LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	John Davis Tina Goodman Sean Shaw Mark Wilkinson Jan Wing John Wing Jocelyn Crook Trevor Mirams
<b>Secretary</b>	Jan Wing
<b>Charity number</b>	276998
<b>Company number</b>	01393436
<b>Registered office</b>	Southern Maltings Kibes Lane Ware Hertfordshire SG12 7DE
<b>Independent examiner</b>	Gary Howard FCA Howard Wilson Chartered Accountants 36 Crown Rise Watford Hertfordshire WD25 0NE
<b>Bankers</b>	CAF Bank 25 Kings Hill Avenue West Malling Kent ME19 4JQ

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# WARE ARTS CENTRE LIMITED

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# WARE ARTS CENTRE LIMITED

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 29 FEBRUARY 2024

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The Trustees present their annual report and financial statements for the year ended 29 February 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

### Objectives and activities

The charitable company is established to promote, maintain, improve and advance public education particularly by the production of educational plays and the encouragement of the arts and crafts; including drama, mime, dance, singing, music, drawing, painting, graphics, printmaking, photography, ceramics, sculpture, carving and craft handiwork and to formulate, prepare and establish schemes therefore provided that all objects of the company shall be of a charitable nature.

The Southern Maltings is an artistic space dedicated to creating creative experiences that will enhance the health and well-being of the local and wider community. Through the provision of opportunities to learn, practice and experience creativity, we enable people of all ages and abilities to explore, experience and enjoy their own and other's artistic achievements.

The aims of the charitable company are to provide a vibrant, contemporary, inclusive, accessible and creative environment, offering studio, exhibition, performance, and social spaces for people of all ages and abilities in which to experiment and discover, to produce and display, to collaborate and celebrate, giving a heart and home for the wider creative community. We aim to be diverse in our activities and proactively inclusive.

By giving the Southern Maltings a new purpose as an 'arts for all centre' we will bring cultural, social, and economic benefits to the whole area by creating new employment possibilities and providing opportunities for people and organisations to contribute time, skills, and enthusiasm to the wellbeing of the community through volunteering.

The objectives for the year under review were:

To continue to provide space for local groups to meet, learn and socialise at an affordable cost and to aid local community groups to continue through the current cost of living challenges.

To create a diverse programme of events, workshops for all ages and abilities widening the offer to new activities. We have assessed our programme of activity to include local theatre and host a few young people theatre groups.

To create a hub of skilled craft people and artists to deliver workshops and provide space for their work to be celebrated and displayed. During the year of report, we have initiated children and adult craft workshops and hosted Herts Visual Arts for the 3<sup>rd</sup> time during the Autumn over 3 weeks.

To introduce new activities for the community in our accessible downstairs space including a Stitch Café for local residents to meet and learn from volunteer sewing experts and have regular Tea Dances for local people including older residents and local dance schools.

The main activities undertaken in relation to those objectives were:

Room hires formed approximately 37% of income generation in 2023/24 with diverse groups from Poets, dance schools, singing, yoga and Pilates, alongside social gatherings through our Local Social Café attracting over 35 people weekly. New groups have started to use our space, pleasingly some youth theatre and several wellbeing practitioners including the Herts Local NHS Partnership.

# WARE ARTS CENTRE LIMITED

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2024

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Over 100 events have been hosted in the building in this financial year ranging from music events (Jazz, Acoustic and a Guitar Club) to local themed markets, Children's events, film, craft workshops and a Christmas themed Markets. Audiences are now similar to pre-Covid times but the spend is less due to the cost of living impacting many families. Our regular events are now established with good audience turnout.

During this year we were able to introduce some wellbeing activities and artists including Life Drawing, Gong Baths and African Drumming, these continue to be popular... We partnered with Herts County Council again to offer our building as a Warm Space during the colder months offering a free hot meal and drinks to all alongside crafts and games. This has allowed us to develop our plans to open a community café for our users and other local people who through cost-of-living pressures and high energy prices were struggling. Since January we have trialled opening our café for our users on 4 days a week and look to open the community café in late 2024 or early 2025 (dependent on our building adaptations and redesign of the kitchen).

A Fun Palace for "Everyone an Artist, everyone a Scientist" took place in October combined with a themed market focused on children. For 2024 we plan to extend the Fun Palace and introduced a Wellbeing Festival. Other events in the pipeline include a sustainable Festival and a Young People's Festival.

During the year of report the Trustees undertook a review of the condition of the building and how it supports our activities and our ability to create financial as well as community benefit. This resulted in a set of building improvements to better support our plans. This includes extending our outside lobby for a reception area and buggy store, a first-floor gantry to enable use of part of the building to access the upstairs, not currently served by a lift. A lift at the Western End of the building, conservation repairs and creation of a gallery/rooms area. Planning consent was received in March 2024 and the changes will be planned over 3-5 years, dependent on funds.

### **Statement on compliance with Charity Commission guidance on public benefit**

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake. The Board is currently working to widen the skills of the Board, and creating a Strategy for recruitment, engagement and training our volunteers, now numbering approx. 50+. We are now into our 8<sup>th</sup> year of operating the new building we are working on succession planning and recruiting additional skills for the board.

### **Strategic report**

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

### **Achievements and performance**

#### **Charitable achievements**

Our investment in our building and creating events to support wellbeing and health, working with community groups supporting dementia sufferers and young people with learning difficulties and disabilities have increased and this year we have been pleased to work with an Inclusive Theatre Group.

Our programme has reflected the need for an emphasis on wellbeing, including delivery of a Wellbeing Festival, where attendees could try tasters of different treatments and exercise classes as well as attend talks on current topics. The event was incredibly popular, and planning is underway for this to become an annual event. During this year have partnered with other local groups to support our community, holding community events including hosting a local Housing Group to hold a conference to consult the community on how it best supports the local residents and community groups.

Our activities are only possible through the generosity of our volunteers who give their time to support all our many events. We now have over 50 regular volunteers regularly helping us and we have appointed one of our trustees to oversee our Volunteer Strategy.

Our partnership with our local town council to introduce events in the town centre involving local producers and crafts as part of the town centre strategy to regenerate the High Street and encourage people to come out and enjoy something local continues to develop. We are pleased that our local businesses support this venture also.

# WARE ARTS CENTRE LIMITED

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2024

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### Fundraising achievements

Our fundraising is generated via our events and volunteering plus we are members of the Local Authority "lottery" which raises 50% from each ticket formed. All our fundraising is reinvested in our building maintenance and development of activities for the Community. We also have a talented group who assist us in keeping our building attractive and welcoming through work sessions. We also host "Volunteer days" when local companies spend a day with us undertaking a variety of tasks.

### Financial review

The income for the year was £235,290 an increase of £17,005 on the previous year (£218,235). Major capital works on the building were held in abeyance whilst we rebuilt our business activities but the next year we plan to undertake some much needed work on the building to make it more useable and to undertake some major repair works requiring specialist skills. We are in the process of gaining Listed Building and Planning consent for our plans.

The expenditure for the year was £228,835, an increase of £85,765 on the previous year (£143,070).

During the year of report, our Turnover reached the threshold for Vat Registration and Ware Arts Centre Ltd was registered for Vat with effect from 1 May 2023. Our first submission was for the period 1 May 2023 to 29 February 2024.

At the year end the charity's unrestricted reserves stood at £187,228, an increase of £3,485 on the previous year. Of this, £130,000 has been designated as contingency funds and for specific ongoing projects. In addition, the charity had restricted reserves of £43,964, these being funds with restrictions on use for particular projects.

### Reserves policy

The Trustees have assessed that we should maintain reserves of £75,000 being the estimated amount needed to ensure the Southern Maltings project can continue should a major issue be encountered as it would cover the fixed costs and maintenance costs needed to stay solvent.

At 28 February 2024 our reserves were in excess of £30,000. The additional funds are required to complete projects not yet finished and additional works required by the conservation officer

### Principal sources of income

There were three principal sources of income in the year:

Room hire for local community groups.

Events run by volunteers as paid performances.

Grants to assist with projects to trial community activities or for expanding the offer of creative workshops and cultural activities.

### Investment policy

Our cash reserves are the only form of investment we have. We currently earn low rates of interest on this. We have reviewed our banking arrangements and deposited an amount to spread risk.

### Risk review

The Trustees have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# WARE ARTS CENTRE LIMITED

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2024

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### Plans for future periods

The organisation is moving into an investment mode to deliver some new ventures and make adaptations to the building to better support our programme of events:

Explore uses of new downstairs space – this will now focus on equipping the space for theatre and performances and providing new lighting and flexible features to support multiple uses.

Rebuild our room hire usage and hirers – this is now underway, and our plans now involve offering more workshops and classes to increase our wish to develop more creative opportunities for our communities.

Increase the diversity of events including new ventures e.g. theatre performance, creative writing and establishing a community café to support our events and users.

Continue to develop our café and bar to support the events and bring the community in.

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Continue to develop our café and bar to support the events and bring the community in.

### Structure, governance and management

The Charitable Company was incorporated as a Company Limited by Guarantee on 10 October 1978 and as such has no share capital.

The Company was registered as a Charity on 21 March 1979 by the Charity Commission for England and Wales.

None of the Trustees has any beneficial interest in the company. The Trustees who are also the Members of the charitable company have undertaken to contribute a sum not exceeding £1 in the event of winding up.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

John Davis	
Tina Goodman	
Darrell Hegerty	(Resigned 1 March 2024)
Fiona Martin	(Resigned 18 October 2023)
Sean Shaw	
Mark Wilkinson	
Jan Wing	
John Wing	
Jocelyn Crook	(Appointed 18 March 2024)
Trevor Mirams	(Appointed 18 March 2024)

We advertise for Trustees and look for skills to support our Charity. Prospective Trustees are interviewed and attend a board meeting prior to joining. We are an equal opportunity organisation. We have currently 2 new Trustees/Directors and 1 co-opted member who will join the board at our annual meeting. We aim to recruit up to 3 additional trustees in the near future.

### Organisational structure

The organisational structure is a Board of eight Trustees who meet quarterly and operate through sub-committees to oversee procedures and planning.

# WARE ARTS CENTRE LIMITED

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2024

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### Induction and training of Trustees

The Board of Trustees is currently undertaking training through our Hertfordshire Community Foundation "Building Better Boards" series of workshops. During the year of report trustees attended elements of the Better Boards training virtually. This training will be refreshed for new Trustees joining the Board.

Induction is through a short meeting with senior Trustees at present, but this is now planned to be using a skills analysis and to ensure we have the right skills needed for the organisation. We propose to advertise to widen our reach. We have also some special advisors on matters of property and HR issues.

### Relationship with the wider network

We are actively involved with local groups in the town and work closely with many local groups who had adopted our building as their home.

### Relationships with related parties

East Herts Council is our landlord, we have regular review meetings with both East Herts and Ware Town Council on our progress and have received local grants from Ware Town Council and East Herts Community Grants Scheme. Discussions are underway to enable a transfer of our lease to Ware Town Council taking on a longer lease from East Herts Council. Discussions are on-going.

### Statement of Trustees responsibilities

The Trustees, who are also the directors of Ware Arts Centre Limited for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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.

The Trustees report was approved by the Board of Trustees.



**Mark Wilkinson**

Trustees

Dated: 17 June 2024



# WARE ARTS CENTRE LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF WARE ARTS CENTRE LIMITED

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I report to the Trustees on my examination of the financial statements of Ware Arts Centre Limited (the charitable company) for the year ended 29 February 2024.

#### **Responsibilities and basis of report**

As the Trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company 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 the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

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 that in any material respect:

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



**Gary Howard FCA**

Howard Wilson Chartered Accountants  
36 Crown Rise  
Watford  
Hertfordshire  
WD25 0NE

Dated: 21 June 2024

# WARE ARTS CENTRE LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 29 FEBRUARY 2024**

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
<b>Income from:</b>							
Donations and legacies	3	4,380	500	4,880	6,452	2,290	8,742
Charitable activities	4	209,760	17,175	226,935	180,014	29,239	209,253
Investments	5	3,475	-	3,475	290	-	290
<b>Total income</b>		<b>217,615</b>	<b>17,675</b>	<b>235,290</b>	<b>186,756</b>	<b>31,529</b>	<b>218,285</b>
<b>Expenditure on:</b>							
Raising funds	6	61,376	2,941	64,317	46,516	16,677	63,193
Charitable activities	7	152,754	11,764	164,518	68,851	11,026	79,877
<b>Total expenditure</b>		<b>214,130</b>	<b>14,705</b>	<b>228,835</b>	<b>115,367</b>	<b>27,703</b>	<b>143,070</b>
<b>Net incoming resources before transfers</b>		<b>3,485</b>	<b>2,970</b>	<b>6,455</b>	<b>71,389</b>	<b>3,826</b>	<b>75,215</b>
<b>Net income for the year/ Net movement in funds</b>		<b>3,485</b>	<b>2,970</b>	<b>6,455</b>	<b>71,389</b>	<b>3,826</b>	<b>75,215</b>
Fund balances at 1 March 2023		183,743	40,994	224,737	112,354	37,168	149,522
<b>Fund balances at 29 February 2024</b>		<b>187,228</b>	<b>43,964</b>	<b>231,192</b>	<b>183,743</b>	<b>40,994</b>	<b>224,737</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# WARE ARTS CENTRE LIMITED

## BALANCE SHEET

AS AT 29 FEBRUARY 2024

	Notes	2024 £	£	2023 £	£
<b>Fixed assets</b>					
Tangible assets	11		14,007		19,982
<b>Current assets</b>					
Stocks	12	2,947		1,854	
Debtors	13	23,770		22,535	
Cash at bank and in hand		237,537		233,360	
		<u>264,254</u>		<u>257,749</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(36,315)</u>		<u>(31,133)</u>	
Net current assets			227,939		226,616
<b>Total assets less current liabilities</b>			241,946		246,598
<b>Creditors: amounts falling due after more than one year</b>	15		(10,754)		(21,861)
<b>Net assets</b>			<u>231,192</u>		<u>224,737</u>
<b>Income funds</b>					
Restricted funds	16		43,964		40,994
<u>Unrestricted funds</u>					
Designated funds	17	130,000		73,250	
General unrestricted funds		<u>57,228</u>		<u>110,493</u>	
			187,228		183,743
			<u>231,192</u>		<u>224,737</u>

# WARE ARTS CENTRE LIMITED

## BALANCE SHEET (CONTINUED)

**AS AT 29 FEBRUARY 2024**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 29 February 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

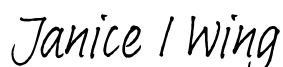
The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 17 June 2024



Mark Wilkinson  
Trustee



Jan Wing  
Trustee

**Company Registration No. 01393436**

# WARE ARTS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2024

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### 1 Accounting policies

#### Charity information

Ware Arts Centre Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Southern Maltings, Kibes Lane, Ware, Hertfordshire, SG12 7DE.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

#### 1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

#### 1.5 Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis.

Support costs are allocated on the basis of time spent on each activity.

# WARE ARTS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 29 FEBRUARY 2024

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#### 1 Accounting policies

(Continued)

##### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	over 10 years
Plant and equipment	over 4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

##### 1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

##### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.10 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# WARE ARTS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2024

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

#### **1.11 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

WARE ARTS CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 29 FEBRUARY 2024

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Donations and gifts	4,380	500	4,880	6,452	2,290	8,742



# WARE ARTS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2024

### 4 Charitable activities

	Arts Centre Operation 2024 £	Arts Centre Operation 2023 £
Performance related grants	12,372	28,929
Events income	63,743	113,245
Hire income	150,820	67,079
	<u>226,935</u>	<u>209,253</u>
Analysis by fund		
Unrestricted funds	209,760	180,014
Restricted funds	17,175	29,239
	<u>226,935</u>	<u>209,253</u>
<b>Performance related grants</b>		
Culture Recovery Fund for Heritage	-	4,750
East Herts Council	-	559
Hertfordshire Community Foundation	2,000	16,200
Ware Town Council	9,000	5,170
Hertfordshire County Council	1,350	2,250
Other	22	-
	<u>12,372</u>	<u>28,929</u>

### 5 Investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	<u>3,475</u>	<u>290</u>

### 6 Raising funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
<u>Fundraising and publicity</u>						
Events costs	<u>36,312</u>	<u>2,591</u>	<u>38,903</u>	<u>46,516</u>	<u>16,677</u>	<u>63,193</u>
<u>Trading costs</u>						
Other trading activities	<u>25,064</u>	<u>350</u>	<u>25,414</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>61,376</u>	<u>2,941</u>	<u>64,317</u>	<u>46,516</u>	<u>16,677</u>	<u>63,193</u>

# WARE ARTS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2024

### 7 Charitable activities

	Arts Centre Operation 2024 £	Arts Centre Operation 2023 £
Staff costs	45,720	17,975
Depreciation and impairment	5,976	10,540
Premises costs	53,373	17,206
Insurance costs	2,919	5,143
Repairs and maintenance costs	24,415	14,046
Office costs	344	1,118
Computer costs	749	271
Travel and subsistence costs	446	203
General expenses	10,486	2,267
Professional fees	18,322	9,138
Interest paid	28	-
Governance costs	1,740	1,970
	<u>164,518</u>	<u>79,877</u>
<b>Analysis by fund</b>		
Unrestricted funds	152,754	68,851
Restricted funds	11,764	11,026
	<u>164,518</u>	<u>79,877</u>

Governance costs comprise fees paid to the independent examiner.

### 8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

During the year expenses were reimbursed to 6 (2023: 6) Trustees for event, premises, office and fixed asset costs totalling £10,747 (2023: £27,141).

# WARE ARTS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2024

### 9 Employees

#### Number of employees

The average monthly number of employees during the year (including Directors/Trustees) was:

	2024 Number	2023 Number
Directors/Trustees	8	8
Charity staff	4	4
	<u>12</u>	<u>12</u>

#### Employment costs

	2024 £	2023 £
Wages and salaries	45,720	17,975
	<u>45,720</u>	<u>17,975</u>

There were no employees whose annual remuneration was £60,000 or more.

### 10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 11 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 March 2023	29,436	32,090	61,526
At 29 February 2024	<u>29,436</u>	<u>32,090</u>	<u>61,526</u>
<b>Depreciation and impairment</b>			
At 1 March 2023	18,842	22,701	41,543
Depreciation charged in the year	2,594	3,382	5,976
At 29 February 2024	<u>21,436</u>	<u>26,083</u>	<u>47,519</u>
<b>Carrying amount</b>			
At 29 February 2024	<u>8,000</u>	<u>6,007</u>	<u>14,007</u>
At 28 February 2023	<u>10,594</u>	<u>9,388</u>	<u>19,982</u>

# WARE ARTS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2024

### 12 Stocks

	2024 £	2023 £
Finished goods and goods for resale	2,947	1,854

### 13 Debtors

	2024 £	2023 £
<b>Amounts falling due within one year:</b>		
Trade debtors	3,988	6,830
Other debtors	3,423	453
Prepayments and accrued income	16,359	15,252
	23,770	22,535

### 14 Creditors: amounts falling due within one year

	2024 £	2023 £
Loan	12,000	12,000
Other taxation and social security	1,585	-
Trade creditors	8,304	7,594
Other creditors	3,800	3,000
Accruals and deferred income	10,626	8,539
	36,315	31,133

### 15 Creditors: amounts falling due after more than one year

	2024 £	2023 £
Loan	10,754	21,861

The loan is from East Herts Council and is in respect of building works at the Centre which were paid for by the Council on the charity's behalf. The loan is due to be repaid over a three year period in equal instalments commencing January 2023.

# WARE ARTS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 29 FEBRUARY 2024**

### 16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 March 2022	Incoming resources	Resources expended	Transfers	Balance at 1 March 2023	Incoming resources	Resources expended	Balance at 29 February 2024
	£	£	£	£	£	£	£	£
Culture Recovery Fund for Heritage	28,165	4,750	(323)	(18,500)	14,092	-	-	14,092
Culture Recovery Fund for Heritage - Sustainability	-	-	-	18,500	18,500	-	-	18,500
Early Years Grants	-	-	-	-	-	1,500	(995)	505
Covid Recovery	7,148	-	(5,073)	-	2,075	-	-	2,075
HAPpy Programme	-	4,200	(4,200)	-	-	-	-	-
Healthy Hub	1,000	-	-	(1,000)	-	-	-	-
Arts Fundraising	855	-	-	(855)	-	-	-	-
Workshops	-	2,000	(2,007)	1,855	1,848	-	(493)	1,355
Warm Space Grant	-	2,000	(411)	-	1,589	2,500	(3,023)	1,066
Sound and Light Fund	-	4,000	(1,863)	-	2,137	100	(666)	1,571
Tudor Square Markets	-	3,130	(2,377)	-	753	12,975	(8,928)	4,800
Ware's the Community	-	1,449	(1,449)	-	-	-	-	-
Jubilee Arts Council	-	10,000	(10,000)	-	-	-	-	-
Coronation Event Fund	-	-	-	-	-	600	(600)	-
	<u>37,168</u>	<u>31,529</u>	<u>(27,703)</u>	<u>-</u>	<u>40,994</u>	<u>17,675</u>	<u>(14,705)</u>	<u>43,964</u>

# WARE ARTS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 29 FEBRUARY 2024**

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### 16 Restricted funds

(Continued)

Culture Recovery Fund for Heritage is a grant to enable us to recover after the extended period of closure, protect our heritage and employ staff. We have transferred an amount of £18,500 to a separate fund for a resilience reserve to enable continued operations.

Early Years Grants was funding towards the Mini Maltings masterclasses programme and Stay and Play/Craft Cafes.

Community Revenue Grant was from East Herts Council was for digital inclusion and blended learning.

Covid Recovery is a grant for volunteer training and delivery of volunteer strategy.

HAPpy Programme was funding for a Create and Craft Club to provide summer activities for families receiving Free School Meals.

Healthy Hub is funding to run workshops.

Arts Fundraising was to support our ability to fundraise for our activities.

Workshops includes funding from Ware Town Council to subsidise trial workshops to keep them affordable.

Warm Space Grant was funding from Hertfordshire Community Foundation to provide a warm and welcoming space during the winter months.

Sound and Light Fund is funding from Hertfordshire County Council and Maverick Advertising to maintain sound and lighting equipment.

Tudor Square Markets is funding from Ware Town Council to put on markets.

Ware's the Community was funding for community projects from various sources.

Jubilee Arts Council was funding from Hertfordshire Community Foundation for a diverse programme of events to celebrate the Jubilee and 70 years of history.

Coronation Event Fund was funding to wards an event to celebrate the coronation.

# WARE ARTS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2024

### 17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 March 2022	Transfers	Balance at 1 March 2023	Resources expended	Transfers	Balance at 29 February 2024
	£	£	£	£	£	£
Protect Arts Centre Fund	30,000	-	30,000	-	(30,000)	-
Essential Building Works Fund	17,000	20,000	37,000	(12,286)	30,286	55,000
Grain Store Repair Fund	20,000	(20,000)	-	-	-	-
Rental Reserve	-	6,250	6,250	-	(6,250)	-
Building Development Fund	-	-	-	-	75,000	75,000
	<u>67,000</u>	<u>6,250</u>	<u>73,250</u>	<u>(12,286)</u>	<u>69,036</u>	<u>130,000</u>

Protect Arts Centre Fund is the core level of reserves that the Trustees consider would be required to enable the Southern Maltings project to continue should a major issue be encountered. This has been consolidated into the Essential Building Works Fund.

Essential Building Works Fund is to urgently address issues that are waiting planning consents.

Grain Store Repair Fund related to a specific project.

Rental reserve is to provide a contingency against rental negotiations failing.

Building Development Fund is to carry out a major plan of redesign and modifications to the building.

### 18 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total Unrestricted funds 2024 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 29 February 2024 are represented by:					
Tangible assets	14,007	-	14,007	19,982	19,982
Current assets/(liabilities)	183,975	43,964	227,939	185,622	226,616
Long term liabilities	(10,754)	-	(10,754)	(21,861)	(21,861)
	<u>187,228</u>	<u>43,964</u>	<u>231,192</u>	<u>183,743</u>	<u>224,737</u>

### 19 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).