

Registered number: 01585918
Charity number: 283452

DIORAMA ARTS CENTRE
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

DIORAMA ARTS CENTRE
(A company limited by guarantee)

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DIORAMA ARTS CENTRE
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Trustees

Peter James CBE, FRSA, (Chair until 15 February 2021. Resigned, becoming
Chair Emeritus 19 October 2021)
Professor Ronald Predl
Suki Caroline Ritblat (resigned 20 May 2021)
Edward John Burnett, (Chair since 15 February 2021)
Dr Leon Redler
Jonathan Phillip Hewitt
Alpha Georgia Hogg (appointed 27 May 2021)

Company registered number

01585918

Charity registered number

283452

Registered office

Old Diorama Arts Centre
201 Drummond Street
London
NW1 3FE

Company secretary

Mark Ross

Creative Director & Chief Executive

Daniel Pitt

Accountants

Nyman Libson Paul LLP
Chartered Accountants
124 Finchley Road
London
NW3 5JS

Bankers

Lloyds Bank Plc
324-326 Regent Street
London
W1B 3BL

CAF Bank
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

DIORAMA ARTS CENTRE
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Advisers (continued)

Solicitors

Harbottle and Lewis LLP
7 Savoy Court
London
WC2R 0EX

DIORAMA ARTS CENTRE
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TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees present their annual report together with the financial statements of the company for the year ended 30 September 2021.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, governance and management

Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 15 September 1981.

Policies and objectives

The principal object of the charity is to provide, maintain, improve, and advance public education, particularly by the promotion of educational drama and the other fine arts, especially those activities which seek to make the arts relevant to the community, including the arts of drama, mime, dramatic improvisation, literature, dance, singing and music and to formulate, prepare and establish schemes therefor.

Trustees

Peter James CBE, FRSA (Chair until 15 February 2021. Resigned 19 October 2021)
Professor Ronald Predl
Suki Caroline Ritblat (resigned 20 May 2021)
Edward John Burnett (Chair since 15 February 2021)
Dr Leon Redler
Jonathan Phillip Hewitt
Alpha Georgia Hogg (appointed June 2021)

None of the Trustees, who are all members, has a beneficial interest in the company.

Chair Emeritus: Peter James CBE, FRSA

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

About Old Diorama Arts Centre

Old Diorama Arts Centre (ODAC) is a creation centre: a shared home for the live arts, creative industries and local community to make, explore and meet, supporting a diverse, nurturing, and interdisciplinary creative ecosystem in Euston, London Borough of Camden.

Named in homage to our iconic original home, Old Diorama Arts Centre has a long and radical history supporting London's creative ecology and communities in Camden. In the 1970s, the Nash-designed former home to Louis Daguerre's Diorama by The Regent's Park was squatted by a collective of artists, who made it widely known as a place for arts, craft, theatre, disabled-led arts, therapies, concerts, raves and more.

Several buildings later, and now housed in a purpose-built complex at the Regent's Place campus, our studios and offices are home to a busy schedule of rehearsals, workshops, readings, castings, film and photo shoots, and events. We're a lively hub of performing arts development, where West End rehearsals and big-name castings nestle alongside new work by emerging artists and local groups - and everything in between.

2021, we began a refreshed phase of development, expanding collaborative relationships, strategies and programmes for, with and by our creative and local communities. Exploration and collaboration with our communities is at the heart of what we do, supporting creative processes.

Summary of the main activities in relation to those purposes for the public benefit

The charity trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Public Benefit guidance published by the Commission. The review of activities that follows outlines the key activities undertaken by the charity to further its charitable purposes for the public benefit.

This financial year for Diorama Arts Centre (trading name: Old Diorama Arts Centre) straddled 6 months (October-March) of the worst of the second phase of the COVID-19 pandemic in the UK, followed by 6 months (April-September) of re-opening and rebuilding of the operations of the centre under new management.

To survive the pandemic financially, ODAC used the Coronavirus Job Retention Scheme (furlough), rent and service charge forgiveness from landlord British Land, London Borough of Camden Business Rates cancellation, and utilised the charity's reserves, but did not apply for the Culture Recovery Fund or other emergency grants. Reopening of the centre was therefore depending on the adaptive timelines of the pandemic. We received a £10,000 recovery grant from Camden Council which supported our reopening phase.

From September 2020-April 2021, Regent's Place and ODAC collaborated to enable local social action and arts organisations to use the centre's studios free of charge while the organisation remained closed, responding to the needs of the community during the lockdown period. The organisations housed by ODAC were:

- Lifeafterhumus Community Benefit Society community food bank who provided their service from ODAC's foyer
- Action Youth Boxing Intervention who prevent young and vulnerable people from entering a negative cycles through boxing
- Industry in the Streets / BMT which celebrates the 'awesome everyday stories of Black men and women'
- Mosaic LBGT+ Young Person's Trust who support, educate and inspire young LGBT+ persons and those around them
- Drummond Street neighbours Camden People's Theatre, for residencies and storage during the

DIORAMA ARTS CENTRE
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

refurbishment of their building

- Regent's Place neighbours New Diorama Theatre for residencies for theatre makers
- Lionbeat who develops new approaches bass and sound system culture, supporting Black creatives
- Sankofa Storytelling Arts who provide expressive arts and wellness drama courses for children, families and adults
- Westminster Kingsway College for adult education courses

These groups benefited from dedicated space in the centre, while the organisation was otherwise in hibernation, restructuring, and recruiting a new Chief Executive. This was a fruitful and impactful response to the necessities of the time. As ODAC began to reopen, the groups were required to vacate the centre by early May although continuing close collaborative and space use relationships.

On April 1 2021, Daniel Pitt began part-time as Creative Director & Chief Executive and took up the post full time from June 14. The centre resumed operations and re-opened to the public on May 18 2021, initially with a reduced schedule, with full operations resuming in June. Provision of affordable studio spaces to the arts sectors and local community remained our core charitable activity. Under new leadership, ODAC has been working towards an increasingly impactful and active vision of the organisation, supporting both the arts and local communities, and supporting collaborative, creative ecosystems in Euston, London Borough of Camden.

During the second half of this financial year, the focus was on rebuilding and strengthening the centre's operational model to provide a basis from which to grow the organisation's impact in the new year. Starting with the recruitment of a full-time Centre Manager (Claire Rivers) to support management, the second phase of this year was focussed on operational, structural, and financial review while rebuilding the core studio hire provision upon which our social enterprise model is based. This included implementation of new staff structure and HR processes, new financial management systems, new studio booking systems, IT systems, operational procedures, and review and refresh of service contracts, and a refresh and increase in marketing activities.

From July-November 2021, ODAC was a partner on Mayor of London-funded project Creative Freelancers: Shaping London's Recovery. The programme brought together 50 diverse freelancers from across the performing arts, including performers, directors, writers, and designers, with 50 leaders of cultural organisations, funders, councils, and other key decision-makers to come together to explore and make recommendations on the future of freelancing. ODAC was matched with theatre director Emily Collins from the cohort, with whom we worked on formulating accessible new models of resource allocation, and the potentials of 'meanwhile spaces', which fed into our future plans.

While rebuilding core income, we immediately focussed on building new partnerships in the local community and continuing our Section 106-mandated community space provision, providing over £32,000 of free space to approximately 30 community and arts groups between May-September 2021. Groups benefiting from this included Remix Dance (weekly and summer sessions); Camden Youth Theatre (weekly sessions); Fitzrovia Youth In Action Regent's Park Estate Community Champions (meetings and event); Brandon Centre (meetings); Lionbeat and Focus Frame Productions (hotdesking); Outings in Art LGBTQ+ (tea party); Revive Congo (summer workshop); DeCentral older feminists group (weekly meetings); Horizon Showcase residency, Hackney Showroom rehearsals; Camden People's Theatre rehearsals; New Diorama Theatre rehearsals, and more.

We invested in partnership building, joining key local and performing arts sector networks including Knowledge Quarter, ITC (Independent Theatre Council), STAMP London (Supporting Theatre Artists and Makers of Performance), Young Camden Foundation, National Producers' Taskforce, and more, which are already yielding new opportunities.

The 'Kravis Diorama Programme' arts management fellowships from the University of Tulsa, Oklahoma, funded

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

by the Raymond and Bessie Kravis Foundation endowment, in memory of our late Trustee George Kravis, remained paused and is currently under review.

Risk management

The Trustees have a risk management strategy, which comprises an on going review at Trustees meetings of the risks the charity may face, including maintenance of an Risk Register, systems and procedures to mitigate those risks, and contingency plans to implement when necessary

Reserves policy

The Trustees' established the level of reserves that the charity ought to maintain, with the goal being that a minimum of one year's operating funds should be maintained as a general reserve. The general reserves policy provides a year's operating expenses including rent, utilities, insurance, service charges, basic public programme, as well as staff costs and current pension obligations. These reserves primarily relate to housing of the charity and maintaining its activities, and the Trustees have established a designated reserve to meet future pension obligations as detailed within Review of financial position.

Following the impacts of the COVID-19 pandemic and the impact on the charity's reserves alongside the need for greater investment in charitable impact, the Trustees are reviewing the reserves policy during the 2021/22 financial year.

Review of financial position

Due to the continued impacts of the COVID-19 pandemic and organisational change, the Trustees report an excess of expenditure over income for the year under review of £139,621 reducing total funds to £672,875.

Of the charity's unrestricted reserves, £354,580 are designated for potential pension liabilities (see below), and the remaining funds £318,295 represent approximately 6 months' of expenditure and is therefore considered to be a solid foundation for the charities' operations.

There is a potential significant financial liability due to the past underperformance of the Arts Council Pension fund PSATSA (Pension Scheme for Administrative & Technical Staff in the Arts), which is a multi employer scheme. Of the charity's funds, £354,580 are designated for potential pension liabilities. The figure of designated reserves will be reviewed following the 2022 valuation of the PSATSA's scheme performance. ODAC also makes monthly deficit reduction payments totalling £14,004 per annum.

Governance

The Trustees of the charity are responsible for its overall management and control and the establishment of policies to govern the charity. Trustees are appointed by Ordinary Resolution.

Management of the charity is delegated to the Chief Executive, who reports directly to the Chair and Trustees, and collaborates with the Company Secretary, who undertakes an oversight and advisory role on behalf of the Trustees.

In May 2021, we welcomed Georgia Hogg (a British Land Asset Manager) to our Board of Trustees, bringing expertise from our landlord.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Long term Chair of Trustees Peter James CBE, FRSA resigned from the board and took up the honorary role of Chair Emeritus. Trustee Edward Burnett took over the role of Chair of Trustees alongside the change in Chief Executive.

The Trustees have commenced discussions on future development of the Board.

Investment power and policy

The charitable company has no investments other than bank deposits.

Going concern

The charitable company meets its day to day working capital requirements through the utilisation of its own funds.

After reviewing the charitable company's forecasts and projections, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The Trustees therefore continue to adopt the going concern basis in preparing the financial statements.

Trustees' responsibilities statement

The Trustees (who are also directors of Diorama Arts Centre for the purposes 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. 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

DIORAMA ARTS CENTRE
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

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.

This report was approved by the Trustees, on 10 June 2022 and signed on their behalf by:



Edward John Burnett, Chair of Trustees

DIORAMA ARTS CENTRE
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Independent Examiner's Report to the Trustees of Diorama Arts Centre (the 'company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 30 September 2021.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees, as a body, for my work or for this report.

Responsibilities and Basis of Report

As the Trustees of the company (and 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 the 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 company's accounts 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

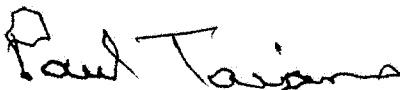
I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company 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).

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INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

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.

Signed: 

Dated: 13 June 2022

Paul Taiano FCA

Nyman Libson Paul LLP

Chartered Accountants

124 Finchley Road
London
NW3 5JS

DIORAMA ARTS CENTRE
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
Donations and legacies	2	77,508	10,000	87,508	95,011
Charitable activities	4	-	152,301	152,301	327,711
Investments	3	-	241	241	2,753
TOTAL INCOME		<u>77,508</u>	<u>162,542</u>	<u>240,050</u>	<u>425,475</u>
EXPENDITURE ON:					
Raising funds	5	-	21,358	21,358	49,820
Charitable activities	5	77,508	280,805	358,313	464,598
TOTAL EXPENDITURE		<u>77,508</u>	<u>302,163</u>	<u>379,671</u>	<u>514,418</u>
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES		-	(139,621)	(139,621)	(88,943)
NET MOVEMENT IN FUNDS		-	(139,621)	(139,621)	(88,943)
RECONCILIATION OF FUNDS:					
Total funds brought forward		-	812,496	812,496	901,439
TOTAL FUNDS CARRIED FORWARD		<u>-</u>	<u>672,875</u>	<u>672,875</u>	<u>812,496</u>

The notes on pages 14 to 22 form part of these financial statements.

All the above activities and amounts relate to continuing operations and for both the current and prior year comprise unrestricted funds.

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

DIORAMA ARTS CENTRE
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REGISTERED NUMBER: 01585918

BALANCE SHEET
AS AT 30 SEPTEMBER 2021

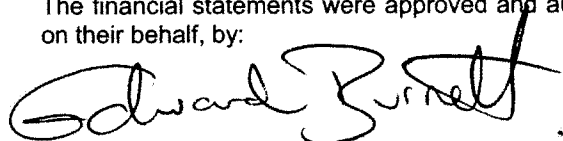
	Note	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	8		21,231		23,364
CURRENT ASSETS					
Debtors	9	41,356		26,866	
Cash at bank and in hand		675,251		780,357	
		<u>716,607</u>		<u>807,223</u>	
CREDITORS: amounts falling due within one year	10	(64,963)		(18,091)	
NET CURRENT ASSETS			651,644		789,132
NET ASSETS			<u>672,875</u>		<u>812,496</u>
CHARITY FUNDS					
Unrestricted funds	11		672,875		812,496
TOTAL FUNDS			<u>672,875</u>		<u>812,496</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees 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 financial statements were approved and authorised for issue by the Trustees on 10 June 2022 and signed on their behalf, by:



Edward John Burnett

The notes on pages 14 to 22 form part of these financial statements.

DIORAMA ARTS CENTRE
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	13	(100,404)	(96,558)
Cash flows from investing activities:			
Dividends, interest and rents from investments		241	2,753
Purchase of tangible fixed assets		(4,943)	-
Net cash (used in)/provided by investing activities		(4,702)	2,753
Change in cash and cash equivalents in the year		(105,106)	(93,805)
Cash and cash equivalents brought forward		780,357	874,162
Cash and cash equivalents carried forward	14	675,251	780,357

The notes on pages 14 to 22 form part of these financial statements.

DIORAMA ARTS CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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) and the Companies Act 2006.

Diorama Arts Centre 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.

1.2 Company status

The charitable company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Income

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

Income from the provision of studio space is recognised in the period in which the studio hire has taken place.

DIORAMA ARTS CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. ACCOUNTING POLICIES (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Diorama facilities. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.6 Government grants

Grants of a revenue nature are recognised in donations and legacies within the statement of financial activities in the same period as the related expenditure. This includes the Government Coronavirus Job Retention Scheme ('Furlough').

1.7 Going concern

The charitable company meets its day to day working capital requirements through the utilisation of its own funds.

Existing funding, forecasts and projections indicate that the charitable company has adequate resources to continue with some level of activity from a minimal to full levels. Although the ongoing effect of the coronavirus can be modelled, it is very difficult to determine the assumptions that will prove to be most appropriate and therefore there is an element of doubt existing that cannot be quantified.

After reviewing the charitable company's forecasts and projections, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The Trustees therefore continue to adopt the going concern basis in preparing the charitable company's financial statements.

DIORAMA ARTS CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. ACCOUNTING POLICIES (continued)

1.8 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures, fittings and equipment - 25% on written down value

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

1.10 Taxation

The company is a registered charity and therefore is not generally liable to direct taxation on income arising from its charitable activities as it falls within the various exemptions available to registered charities.

1.11 Debtors

Debtors are recognised at the settlement amount after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

1.12 Pensions

The company operates a defined benefits pension scheme. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102 'Retirement benefits', the company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

1.13 Cash at Bank and in hand

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

1. ACCOUNTING POLICIES (continued)

1.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.15 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
CJRS grants received	77,508	-	77,508	95,011
Other grants received	-	10,000	10,000	-
	<u>77,508</u>	<u>10,000</u>	<u>87,508</u>	<u>95,011</u>
Total donations and legacies	<u>77,508</u>	<u>10,000</u>	<u>87,508</u>	<u>95,011</u>
	<u>95,011</u>	<u>-</u>	<u>95,011</u>	
Total 2020	<u>95,011</u>	<u>-</u>	<u>95,011</u>	

3. INVESTMENT INCOME

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Interest receivable	-	241	241	2,753
	<u>-</u>	<u>241</u>	<u>241</u>	<u>2,753</u>
Total 2020	<u>-</u>	<u>2,753</u>	<u>2,753</u>	

DIORAMA ARTS CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

4. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Projects	-	152,301	152,301	327,711
Total 2020	-	327,711	327,711	

5. DIRECT COSTS

	Fundraising expenses £	Governance £	Charitable activities £	Total 2021 £	Total 2020 £
Project expenses	-	-	3,445	3,445	9,437
Repairs and maintenance	-	-	19,775	19,775	21,921
Rates and service charges	2,551	1,275	21,681	25,507	98,064
Telephone expenses	1,554	777	13,211	15,542	23,627
Office expenses	-	-	7,664	7,664	7,409
Volunteer expenses	3,571	-	-	3,571	4,153
Independent examination	-	4,634	-	4,634	7,036
Legal and professional	-	16,759	-	16,759	19,196
Bank charges	-	-	258	258	216
Depreciation	-	-	7,076	7,076	7,788
Bad debts	-	-	1,795	1,795	-
Wages and salaries	12,690	-	241,111	253,801	288,788
Pension cost	992	-	18,852	19,844	26,783
	<u>21,358</u>	<u>23,445</u>	<u>334,868</u>	<u>379,671</u>	<u>514,418</u>
Total 2020	<u>49,820</u>	<u>32,316</u>	<u>432,282</u>	<u>514,418</u>	

DIORAMA ARTS CENTRE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

6. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets - owned by the charity	7,076	7,788
Independent examiner's fees	4,634	7,036
Pension costs	<u>19,844</u>	<u>26,783</u>

During the year none of the Trustees, or any person connected with them, received any remuneration or reimbursement of any expenses incurred (2020: £nil).

7. STAFF COSTS

Staff costs were as follows:

	2021	2020
	£	£
Wages, salaries and fees	253,801	288,788
Other pension costs	19,844	26,783
	<u>273,645</u>	<u>315,571</u>

The average number of persons employed by the company during the year was as follows:

	2021	2020
	No.	No.
Manager of the charity	1	1
Administration and support	15	15
	<u>16</u>	<u>16</u>

No employee received remuneration amounting to more than £60,000 in either year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

8. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment £
Cost	
At 1 October 2020	97,239
Additions	4,943
At 30 September 2021	<u>102,182</u>
Depreciation	
At 1 October 2020	73,875
Charge for the year	7,076
At 30 September 2021	<u>80,951</u>
Net book value	
At 30 September 2021	<u>21,231</u>
At 30 September 2020	<u>23,364</u>

9. DEBTORS

	2021 £	2020 £
Trade debtors	28,057	-
Other debtors	6,013	-
Prepayments and accrued income	7,286	26,866
	<u>41,356</u>	<u>26,866</u>

10. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	471	7,022
Other taxation and social security	5,948	5,019
Other creditors	838	50
Accruals and deferred income	57,706	6,000
	<u>64,963</u>	<u>18,091</u>

DIORAMA ARTS CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

11. SHARE CAPITAL

The company does not have a share capital and is limited by the guarantees of the members. Every member undertakes to contribute such amount as may be required, not exceeding £10, to the company's assets should it be wound up while they are a member or within 12 months after ceasing to be a member. At the balance sheet date there were 5 (2020: 6) members.

12. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 October 2020 £	Income £	Expenditure £	Balance at 30 September 2021 £
Designated funds				
Pension deficit funding	368,584	-	(14,004)	354,580
General funds				
General funds	443,912	162,542	(288,159)	318,295
Total Unrestricted funds	812,496	162,542	(302,163)	672,875
Restricted funds				
Coronavirus job retention scheme	-	77,508	(77,508)	-
Total of funds	812,496	240,050	(379,671)	672,875

Following the valuation in December 2016 of the multi-employer pension scheme in which the company participates, the Trustees designated funds to meet the potential deficit and future liabilities in respect of the scheme.

DIORAMA ARTS CENTRE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

12. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 October 2019 £	Income £	Expenditure £	Balance at 30 September 2020 £
Pension deficit funding	382,588	-	(14,004)	368,584
General funds	518,851	330,464	(405,403)	443,912
Restricted funds				
Coronavirus job retention scheme	-	95,011	(95,011)	-
Total of funds	901,439	425,475	(514,418)	812,496

13. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(139,621)	(88,943)
Adjustment for:		
Depreciation charges	7,076	7,788
Dividends, interest and rents from investments	(241)	(2,753)
Increase in debtors	(14,490)	(19,290)
Increase in creditors	46,872	6,640
Net cash used in operating activities	(100,404)	(96,558)

14. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	134,295	139,670
Notice deposits (less than 3 months)	540,956	640,687
Total	675,251	780,357