

COMPANY REGISTRATION NUMBER: 01944551
CHARITY REGISTRATION NUMBER: 292463

Black Swan Arts Ltd
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2022

Black Swan Arts Ltd

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2022

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Black Swan Arts Ltd

Company Limited by Guarantee

Reference and administrative details

Year ended 31 March 2022

Registered Charity name Black Swan Arts Ltd

Charity registration number 292463

Company registration number 01944551

Principal address and registered office

The Black Swann
2 Bridge Street
Frome
Somerset
BA11 1BB

The Trustees

R Morland	
R Hart	(retired 21 June 2022)
S Sherrin	(retired 7 February 2022)
H Roughley	
M Lloyd	(appointed 5 August 2021, retired 5 February 2022)
A Webb	(appointed 21 March 2022)
I Fooks	(appointed 9 May 2022)
L Ponsillo	(appointed 9 May 2022)
M Golder	(appointed 5 July 2022)
R Whitewick	(appointed 5 July 2022)
L Thompson	(appointed 17 August 2022)

Independent Examiner

Joshua Kingston BSc ACA
Burton Sweet Limited
The Clock Tower
5 Farleigh Court
Flax Bourton
Bristol, BS48 1UR

Black Swan Arts Ltd

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Chair's Report

Year ended 31 March 2022

Chair's Report

This report looks back on the financial year that runs from 1 April 2021 to 31 March 2022, as that is the period covered by our accounts.

This was the second consecutive year when COVID continued to have an impact on all aspects of our activities. As well as restrictions at the start of the year, BSA, like all other organisations, had to deal with periods of staff and volunteer sickness and a real caution amongst many to return to our building which affected both volunteers and visitors. This made it very hard to engage in any sort of long-term planning, and – in particular – to programme our upstairs Long Gallery with any confidence. It wasn't until early 2022 that exhibitions returned to that space, but we were fortunate enough to be able to use the (downstairs) Shop space for a gallery programme for an early part of the year.

We expanded the Shop's activities throughout the year. As well as hosting various exhibitions, we gradually extended the number of artists/craftpeople's whose work is sold there. This provides them with profile, and income, and is an increasingly important part of our role as an Arts Centre that supports the local arts community. In order to do this, we gradually extended the number of days that the shop was open during the year, and also built up the pool of staff that work there. Although there is a risk in doing so, not the least because our salary costs have increased, it has done wonders in ensuring that Black Swan Arts presents a public face to the world.

Our programme of exhibitions and other activity during the year were often in partnership with other arts and community organisations. The year started with the major exhibition *In Pursuit of Spring*, in collaboration with Somerset Art Works, and we also collaborated with them on the exhibition *Slow Time* – exploring solargraphs - towards the end of the year. We also worked with Frome Open Studios – providing a showcase for their work which, we hope, encouraged more people to seek out their studios around town. Our collaborations also included our ongoing partnership with *Window Wanderland*, and we were also delighted to welcome back lantern making workshops for *Light the Night* – the community Lantern Parade which celebrates the start of Christmas in Frome.

Other artistic highlights in the shop during the year included David Parfitt's wonderful exhibition of watercolours and drawings, which proved very popular over its long run. We also started to re-open the Long Gallery, hosting exhibitions that had originally been planned to appear in 2020, including a shared exhibition of pen and ink drawings at differing scales from Guy Watts and Daniel McGirr – *A Duet of Lines*.

We continue to host creative workers in all our studio spaces. Our Studio Shops were tenanted by illustrator Jo Joof, Badger House Leather and jeweller Daniel Musselwhite, whilst other tenants included artist Jo Walton, and The Write Place in our attic space. Discover Frome, the town's information centre, also continues to be based here. It was another

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Chair's Report

Year ended 31 March 2022

challenging year for our tenants, given the overall situation, and we again reduced rents where appropriate, as well as providing moral support.

We continued to collaborate closely with our key tenants, River House, who have continued to provide wonderful food and drink, and are always a dynamic and cheerful presence in the centre of the building.

Our financial performance over the year has, as in the previous year, been impacted by COVID. Our income from usual sources has been reduced significantly, but so have some of our costs. We were however lucky enough to secure government funding to support businesses in the Leisure Industry, via Mendip District Council, and some of the income from the Arts Council's Cultural Recovery Fund reported on in last year's accounts also supported this year's accounts. As a result, our overall financial result for the year was positive. We are very aware that 2022/23 will be much more challenging, as we return to a more 'normal' way of working, but still with many uncertainties and in particular the growing economic difficulties. As an unfunded community arts organisation, Black Swan Arts is more vulnerable than many.

The commitment of all Trustees this year has been exceptional. We were particularly sad to say goodbye to Steve Sherrin and, more recently, to Rosie Hart, whose contribution as Digital Trustee has been crucial to our success. Over the last few months, we have been lucky enough to recruit several new trustees, and have also welcomed back two previous trustees, including myself.

We have also been very grateful to the hard work and commitment of Emma Warren, the Centre Manager, and Lin Bradshaw Bullock, bookkeeper, as well as various members of the shop team.

Alex Webb

Chair, Board of Trustees

Black Swan Arts Ltd

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Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2022

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2022.

Structure, governance and management

Constitution

The charity is a company limited by guarantee governed by Memorandum and Articles of Association dated 4 September 1985, amended 30 June 1997, and by-laws dated 27 July 1998.

Appointment of trustees

Under the charity's by-laws all members of The BSA Ltd will also be Directors of The Black Swan Arts Ltd. Directors will be appointed and selected by the existing board. An individual nominated to become a Director should attend at least 1 meeting of any category, before becoming eligible to be appointed as Director.

The Chair must at all times be aware of a) the long-term needs of the organisation in establishing a balance of skills within the trustees and b) the agreed number of trustees (8-10).

When a vacancy arises, the organisations situation must be assessed to determine what type of skills are required to sustain Black Swan activities. The latest Board Audit and Review should be referred to at this stage. Vacancies should be openly advertised across the region. The skills required will be decided at the general meeting, as will the method of seeking appointees. When necessary, a small sub-committee will undertake to look at prospective candidates.

Induction and training of trustees

The new Trustee(s) will be given the Board Introduction Pack and will be introduced to the role and responsibilities of the Trustees by the Chair. The new Trustee(s) are required to sign the Code of Conduct and Trustee Contract. The new Trustee(s) should receive a full induction within 1 month of appointment.

Trustees should also refer to the Board Development Plan. Trustees are required to attend training and development events.

Organisational structure

Trustees are supported by a part-time Centre Manager and part-time Bookkeeper.

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Year ended 31 March 2022

Relationships with related parties

The charity has a wholly owned trading subsidiary BSE Frome Ltd which is incorporated in England and Wales. This is the company that trades as Black Swan Café. There are 3 directors chosen from amongst the trustees.

Risks

The major risks to which the charitable company is exposed, as identified by the trustees, have been reviewed and systems or procedures have been established to manage those risks.

OBJECTIVES AND ACTIVITIES

Objects

The objects of the charity as stated in the memorandum and articles of association are; -

(a) to promote any charitable purpose which will encourage the exercise and maintain the standard of crafts and improve craftsmanship and foster and increase the interest of the public therein;

(b) to advance the education of the public concerning the arts and crafts and to foster a greater cultural awareness;

(c) to provide opportunities for recreation and leisure time occupations with the object of improving the conditions of life for the inhabitants of the town of Frome and its neighbourhood;

(d) to preserve for the benefit of the inhabitants of the neighbourhood the buildings known as the Black Swan Inn and the Round Tower.

VISION AND MISSION STATEMENT

Summary

Black Swan Arts (BSA) is a charity and a centre for art and crafts in Frome and the wider region. Housed in a listed and locally important building it creates inclusive opportunities for all of the community.

Support for arts practitioners

BSA will support practitioners of contemporary and traditional arts and crafts, at all stages of their careers. In a dynamic and creative town, it will act as a hub for artists and makers to meet, make connections and develop their careers. As part of this we will provide opportunities through our studio spaces for early career professionals to develop as small businesses.

In addition, our Open Exhibitions and gallery programmes will offer opportunities for artists at all stages of their practice to showcase their work to audiences, and to make valuable sales.

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Year ended 31 March 2022

Our building and the community

We will offer the great resource that is our building and its spaces as a venue for arts-based activities of all sorts for community participation.

We will seek out partners to collaborate with, who can bring their particular expertise to BSA. This will include arts/crafts-based workshops, for people of all ages, but will also include talks and skill-sharing, and will also include projects such as our Young Open which bring many new visitors to the building.

Art

We will continue to bring excellent, thought provoking and inspirational work to local audiences. We will do so through a varied programme of work, which is skilfully curated and considered by our small voluntary Programming Group.

Viability

To fulfil BSA's charitable objectives, we need to develop and maintain a realistic and sustainable business model, which is capable of adapting to the changing circumstances within which we operate, and which is supported by effective and appropriate structures and systems.

Public Benefit

In setting objectives and planning activities trustees have taken note of the Charity Commission guidance on public benefit.

BLACK SWAN ARTS is a dynamic venue for the promotion of contemporary arts and crafts, based in Frome, Somerset. The Guild promotes artistic quality and originality, encouraging and exhibiting two and three-dimensional work of an innovative and challenging nature, produced by practicing professional artists and community artists.

Our purpose is to provide an enriching and challenging arts experience for everyone.

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Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2022

ACHIEVEMENTS AND PERFORMANCE

Exhibitions

Our main exhibition programme during the year mainly took place in the Shop area, only moving back to the Long Gallery from the start of 2022.

These Long Gallery Exhibitions were not stewarded, so attendances were not collated.

				Total Atts	No of days open
27/03/2021	27/06/2021	<i>In Pursuit of Spring</i>	<i>with SAW</i>	1490	25
01/07/2021	25/07/2021	<i>Open Art Trail</i>	<i>highlights in Shop</i>	1110	17
29/07/2021	03/10/2021	<i>20 Miles</i>	<i>David Parfitt</i>	3385	52
07/10/2021	14/11/2021	<i>Frome Arts Society</i>			
16/11/2021	24/12/2021	<i>Encaustic Works</i>	<i>Mark Karasick</i>	1949	23
28/12/2021	27/02/2022	<i>Finding Light</i>	<i>Abigail Reed</i>		
15/01/2022	27/02/2022	<i>Slow Time</i>	<i>with SAW</i>		
03/03/2022	03/04/2022	<i>A Duet of Lines</i>	<i>Guy Watts & Daniel McGirr</i>		

Exhibitions – Round Tower

We were delighted to welcome community and other artists back to the Round Tower during the year. Since we do not steward those exhibitions, we do not collate information on attendances.

13-30 August	Frome Art Society	In Company
3-19 September	Active and in Touch	Portrayal of a Pandemic
20 Nov-5 Dec	Old Bakery Artists	Together Again
5-15 December	Frome Wessex Camera Club	Closing Down and Opening Up
8-19 December	CQ West	Untold Stories
4-27 March	Frome Town Council	Mother Makers

Over Events and Collaborations:

Other collaborations and events taking place in the year included:

Christmas Makers Market

Lantern Making workshops with Light The Night

Bessie Bider – Introduction to Felting
Felt & picture making workshops
Finger puppet making workshops

Frome Community Education: Watercolour and History of Art classes, autumn 2021

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Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2022

FINANCIAL REVIEW

During the year, Black Swan Arts Ltd received total income of £128,369 (2021: £118,958), and total expenditure incurred was £141,498 (2021: £85,367). This resulted in a loss overall of £13,129, compared to a surplus in 2021 of £33,591. It is worth remembering that Black Swan Arts was closed for the majority of 2021, due to the impact of the pandemic, resulting in significant savings, and was also lucky enough to receive government funding both through the Cultural Recovery Fund and also local authority support for businesses and leisure providers. 2022 has been much more of a transitional year, when the building was open for the majority of the time, but when not all its income-generating activities were back in place. Our aim for 2022/23 onwards is, of course, to deliver a balanced budget. As at 31 March 2022 total funds were £468,214 of which free reserves were £24,819 (2021: £19,416).

RESERVES POLICY

The trustees have adopted the following reserves policy. They will aim to ensure that, at all times, the level of reserves is appropriate to the level of the Charity's activities.

The trustees will review annually the nature of the income and expenditure streams, the need to match variable income with fixed commitments, and the nature of the reserves in order to decide on the level of reserves required for the charity to be managed efficiently and to enable future services to remain uninterrupted. Further reserves can be achieved through fundraising, one off grants and donations.

Use of reserves

Reserves are used to: Protect the long-term delivery and continuity of services. Ensure the upkeep of the property and to help fund any major repairs/alterations required.

Level/form of reserves

Trustees decide the level of reserves required. The current aim of the Trust is to build up free reserves approximating to 6 months operating expenses (2022: £70,749). Decisions on the use of reserves will be made by the Board.

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Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2022

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of The Black Swan Arts Ltd for the purposes of company law) are responsible for preparing the Chair's Report and the Trustees Annual Report (incorporating the Directors' Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom 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 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper 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. The trustees 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.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 28 November 2022 and signed on behalf of the board of trustees by:

Alex Webb
Chair

Black Swan Arts Ltd

Company Limited by Guarantee

Independent Examiners' Report

Year ended 31 March 2022

I report to the trustees on my examination of the financial statements of Black Swan Arts Ltd ('the charity') for the year ended 31 March 2022.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity 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 accounts to be reached.

Joshua Kingston BSc ACA
Burton Sweet Limited
The Clock Tower
5 Farleigh Court
Flax Bourton
Bristol, BS48 1UR

Date: 28 November 2022

BLACK SWAN ARTS LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 MARCH 2022

		Unrestricted Funds £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 Restated £
Income from:	Note				
Donations and legacies	5	1,899	-	1,899	11,361
Charitable activities	6	81,480	-	81,480	82,520
Other trading activities	7	44,990	-	44,990	25,077
Total income		<u>128,369</u>	<u>-</u>	<u>128,369</u>	<u>118,958</u>
Expenditure on:					
Other trading activities	8	31,431	-	31,431	1,511
Charitable activities	9	98,544	11,523	110,067	83,856
Total expenditure		<u>129,975</u>	<u>11,523</u>	<u>141,498</u>	<u>85,367</u>
Net income/(expenditure)	10	(1,606)	(11,523)	(13,129)	33,591
Transfers between funds	21	7,009	(7,009)	-	-
Net movement in funds		<u>5,403</u>	<u>(18,532)</u>	<u>(13,129)</u>	<u>33,591</u>
Total funds at start of year	21	19,416	461,927	481,343	447,752
Total funds at end of year	21	<u>24,819</u>	<u>443,395</u>	<u>468,214</u>	<u>481,343</u>

The Charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

Prior year fund comparatives are disclosed in note 14.

The notes on pages 13 to 21 from part of the financial statements

BLACK SWAN ARTS LIMITED**BALANCE SHEET****AS AT 31 MARCH 2022**

		2022	2021
	Note	£	Restated £
Fixed assets			
Intangible Assets	15	14,432	16,942
Tangible assets	16	499,079	512,099
Investments	17	100	100
		<u>513,611</u>	<u>529,141</u>
Current assets			
Stock Asset		1,673	-
Debtors	18	2,722	2,266
Cash at bank and in hand		51,864	55,226
		<u>56,259</u>	<u>57,492</u>
Liabilities			
Creditors : amounts falling due within one year	19	(18,385)	(15,121)
Net current assets		<u>37,874</u>	<u>42,371</u>
Total assets less current liabilities		<u>551,485</u>	<u>571,512</u>
Creditors : amounts falling due after more than one year	20	(83,271)	(90,169)
Net assets		<u>468,214</u>	<u>481,343</u>
FUNDS			
Unrestricted funds			
General funds		24,819	19,416
Endowment funds		443,395	461,927
Total funds	22	<u>468,214</u>	<u>481,343</u>

For the year ending 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

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

These financial statements were approved by the Trustees on 28 November 2022 and are signed on their behalf by:

R Morland
Trustee

Company registration number: 01944551

The notes on pages 13 to 21 from part of the financial statements

BLACK SWAN ARTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

1 General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Black Swan, 2 Bridge Street, Frome, Somerset, BA11 1BB.

2 Statement of compliance

The financial statements have been prepared in accordance with the historical cost convention (except for investments which have been included at fair value) and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

3 Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Funds

Unrestricted funds, which include designated funds, can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Expenditure which meets these criteria is charged to the fund. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Endowment funds may not be converted into income. Further explanation of the nature and purpose of the charity's endowment fund is included in the notes to the financial statements.

Going concern

There are no material uncertainties about the charity's ability to continue as a going concern, despite the significant uncertainty being caused by the worldwide COVID-19 crisis. Whilst the Trustees expect there to be a significant impact on the charity's operations and reserves in the coming months and years, the charity has sufficient reserves to be able to meet these challenges.

Consolidation

The charity is not required to prepare consolidated accounts in accordance with the Charities Act 2011, and has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the charity and its subsidiary undertakings comprise a small group.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

3 Accounting policies (*continued*)

Income

Incoming is included in the Statement of Financial Activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- Legacy income is recognised when receipt is probable and entitlement is established.
- Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Expenditure

Expenditure is recognised in the period in which it is incurred and includes any attributable VAT which cannot be recovered.

Costs which are directly attributable to meeting charitable objects are classified as provision of charitable services. These costs are directly allocated to activities, including staff costs which are allocated based on time spent by individual employees.

Costs which are indirectly attributable to meeting charitable objectives are classified as support costs. Such support costs are allocated to activities based on the percentage of support staff time.

Costs associated with the general running of the charity which are not attributable to meeting charitable objects are classified as governance costs. These costs include management time spent on strategic planning issues and statutory compliance.

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 10% Straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible fixed assets

All fixed assets are initially recorded at cost. Assets costing less than £100 are recognised as resources expended in the Statements of Financial Activities in the year that they are purchased.

All assets are carried at initial cost net of depreciation, except freehold property which is carried at valuation net of depreciation.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and Buildings - 2% straight line
Fixtures and Fittings - 10% straight line
Equipment - 25% reducing balance
Computer Equipment - 33% straight line

3 Accounting policies (continued)

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and cash in hand

Cash at bank and cash 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.

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

4 Limited by guarantee

The company is limited by guarantee not having a share capital. The members who are also the directors and trustees undertake to contribute to the assets of the company in the event of it being wound up either whilst a member or within one year of their membership ceasing. The maximum contribution required from each member is £1.

5 Income from: Donations and legacies

	Total Funds 2022 £	Total Funds 2021 Restated £
Donations	1,899	6,563
CJRS Furlough Grants	-	4,798
	<u>1,899</u>	<u>11,361</u>

All income from donations and legacies in the current and previous year was unrestricted.

6 Income from: Charitable activities

	Total Funds 2022 £	Total Funds 2021 Restated £
Performance-related grants	41,067	77,505
Gallery Sales	40,413	5,015
	<u>81,480</u>	<u>82,520</u>

All income from charitable activities in the current and previous year was unrestricted.

BLACK SWAN ARTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

7 Income from: Other trading activities

	Total Funds 2022 £	Total Funds 2021 £
Fundraising Events	-	123
Friends Subscriptions	1,399	2,019
Rental income	37,905	22,935
Sales of Products	5,686	-
	44,990	25,077

All income from other trading activities in the current and previous year was unrestricted.

8 Expenditure on: Other trading activities

	Total Funds 2022 £	Total Funds 2021 £
Gallery & Exhibitions	29,060	1,511
Cost of products	2,371	-
	31,431	1,511

All costs of other trading activities in the current and previous year were unrestricted.

9 Expenditure on: Charitable activities

	Activities Undertaken Directly £	Support Costs £	Total Funds 2022 £
Gallery & Exhibitions	8,911	5,925	14,836
Education	1,293	1,069	2,362
Preservation of The Black Swan	67,015	5,338	72,353
Black Swan Café	7,923	-	7,923
Governance Costs	-	12,593	12,593
	85,142	24,925	110,067

**Prior Year Comparative
Restated**

	Activities Undertaken Directly £	Support Costs £	Total Funds 2021 £
Gallery & Exhibitions	10,686	3,335	14,021
Education	828	1,058	1,886
Preservation of The Black Swan	37,461	4,905	42,366
Black Swan Café	2,510	-	2,510
Governance Costs	-	23,073	23,073
	51,485	32,371	83,856

BLACK SWAN ARTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

10 Net income/(expenditure) for the year

This is stated after charging:

	2022	2021
	£	£
Amortisation of intangible assets	2,510	2,510
Depreciation of tangible assets	13,657	14,199
Fees payable to the Independent Examiner for: Independent examination of the financial statements	1,500	1,500
	<u>1,500</u>	<u>1,500</u>

11 Staff costs and numbers

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	Restated £
Wages & salaries	25,864	16,558
Pension contributions	588	419
	<u>26,452</u>	<u>16,977</u>

The average employee head count during the year was 4 (2021: 2)

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

The key management personnel are considered to be the trustees.

The total employee benefits received by key management personnel were £nil (2021: £nil).

12 Taxation

The charity is exempt from corporation tax on its charitable activities.

13 Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

There were no expenses reimbursed to trustees or waived by trustees during the year (2021: £Nil)

Aggregate donations from Trustees, key management personnel, and other related parties was £50 (2021: £Nil).

BLACK SWAN ARTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

14 Statement of Financial Activities comparative figures

For the year ended 31 March 2021

Restated

Income & Endowments

Donations & legacies	11,361	-	11,361
Charitable activities	82,520	-	82,520
Other trading activities	25,077	-	25,077
Other income	-	-	-

Total income

118,958	-	118,958
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Expenditure on:

Raising funds: costs of other trading activities	1,511	-	1,511
Charitable activities	72,333	11,523	83,856

Total expenditure

73,844	11,523	85,367
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**Net income/(expenditure) for the year
and net movement in funds**

45,114	(11,523)	33,591
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Total funds at start of year

(25,698)	473,450	447,752
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Total funds at end of year

19,416	461,927	481,342
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15 Intangible Assets

Cost

At 1 April 2021 and 31 March
2022

Goodwill
£

25,100

Amortisation

At 1 April 2021
Charge for the year
At 31 March 2022

8,158

2,510

10,668

Carrying amount

At 31 March 2022

14,432

At 31 March 2021

16,942

BLACK SWAN ARTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

16 Tangible fixed assets

	Land and Buildings £	Fixtures and Fittings £	Equipment £	Total £
Cost				
At 1 April 2021	576,152	25,803	26,358	628,313
Additions	-	637	-	637
At 31 March 2022	<u>576,152</u>	<u>26,440</u>	<u>26,358</u>	<u>628,950</u>
Depreciation				
At 1 April 2021	71,968	21,070	23,176	116,214
Charge for the year	11,523	709	1,425	13,657
At 31 March 2022	<u>83,491</u>	<u>21,779</u>	<u>24,601</u>	<u>129,871</u>
Net book value				
At 31 March 2022	<u>492,661</u>	<u>4,661</u>	<u>1,757</u>	<u>499,079</u>
At 31 March 2021	<u>504,184</u>	<u>4,733</u>	<u>3,182</u>	<u>512,099</u>

17 Investments

	Shares in group undertakings £
Cost or valuation	
At 1 April 2021 and 31 March 2022	100
Carrying amount	
At 31 March 2022	<u>100</u>
At 31 March 2021	<u>100</u>

All investments shown above are held at valuation.

The above investment represents 100% of the ordinary share capital of BSE Frome Limited (formerly The Black Swan Limited). The holding was acquired at par, and is valued at cost.

18 Debtors

	2022 £	2021 Restated £
Due in less than one year:		
Trade debtors	1,686	1,264
Prepayments and accrued income	1,036	1,002
	<u>2,722</u>	<u>2,266</u>

BLACK SWAN ARTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

19 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank Loan and overdraft	7,522	6,883
Other creditors	7,701	5,425
Accruals and deferred income	3,162	2,813
	<u>18,385</u>	<u>15,121</u>

Lloyds Bank has a first legal charge over the Black Swan Guild commercial freehold property.

20 Creditors: amounts falling due after one year

	2022	2021
	£	£
Bank Loans & Overdrafts	83,271	90,169
	<u>83,271</u>	<u>90,169</u>

Included within creditors: amounts falling due after more than one year is an amount of £44,346 (2021: £52,283) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

21 Movement in funds

For the year ended 31 March 2022

	At 1 Apr 2021	Income	Expenditure	Transfers	At 31 Mar 2022
	£	£	£	£	£
Unrestricted Funds					
General Funds	19,416	128,369	(129,975)	7,009	24,819
	<u>19,416</u>	<u>128,369</u>	<u>(129,975)</u>	<u>7,009</u>	<u>24,819</u>
Endowment					
The Black Swan Arts and Crafts Centre	461,927	-	(11,523)	(7,009)	443,395
	<u>461,927</u>	<u>-</u>	<u>(11,523)</u>	<u>(7,009)</u>	<u>443,395</u>
Total funds	<u>481,343</u>	<u>128,369</u>	<u>(141,498)</u>	<u>-</u>	<u>468,214</u>

The assets of the permanent endowment comprise The Black Swan Arts and Crafts Centre at current book value excluding the Round Tower. The permanent endowment is 90% of the property value included in the fixed assets. A transfer of £7,009 was made in the current year to more accurately reflect the endowment funds held at 31st March 2022.

BLACK SWAN ARTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

21 Movement in funds (continued)

For the year ended 31 March 2021
Restated

	At 1 Apr 2020 £	Income £	Expenditure £	Transfers £	At 31 Mar 2021 £
Unrestricted Funds					
General Funds	(25,698)	118,958	(73,844)	-	19,416
	<u>(25,698)</u>	<u>118,958</u>	<u>(73,844)</u>	<u>-</u>	<u>19,416</u>
Endowment					
The Black Swan Arts and Crafts Centre	473,450	-	(11,523)	-	461,927
	<u>473,450</u>	<u>-</u>	<u>(11,523)</u>	<u>-</u>	<u>461,927</u>
Total funds	<u>447,752</u>	<u>118,958</u>	<u>(85,367)</u>	<u>-</u>	<u>481,343</u>

22 Analysis of net assets between funds

As at 31 March 2022

	Unrestricted Funds £	Endowment Funds £	Total £
Tangible Fixed Assets	55,684	443,395	499,079
Intangible Assets	14,432	-	14,432
Investments	100	-	100
Net Current Assets	37,874	-	37,874
Creditors greater than 1 year	(83,271)	-	(83,271)
	<u>24,819</u>	<u>443,395</u>	<u>468,214</u>

As at 31 March 2021

	Unrestricted Funds £	Endowment Funds £	Total £
Tangible Fixed Assets	50,172	461,927	512,099
Intangible Assets	16,942	-	16,942
Investments	100	-	100
Net Current Assets	42,371	-	42,371
Creditors greater than 1 year	(90,169)	-	(90,169)
	<u>19,416</u>	<u>461,927</u>	<u>481,343</u>

23 Related party transactions

Included within debtors is £Nil (2021: Restated - £Nil) owed by BSE Frome Limited.