

CLACTON & NORTH EAST ESSEX ARTS & LITERARY SOCIETY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 7 MARCH 2022

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92 Station Road
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Essex
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CONTENTS

	Page
Company information	1
Trustees report	2 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 16

CLACTON & NORTH EAST ESSEX ARTS & LITERARY SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs A Needham Mrs P A Waller Mrs Z Gilbert Mrs L Schatten Mrs E Weston Mr D Needham
Charity number	801385
Principal address	113 Holland Road Clacton on Sea Essex CO15 6HB
Independent examiner	TC Group 92 Station Road Clacton on Sea Essex CO15 1SG

CLACTON & NORTH EAST ESSEX ARTS & LITERARY SOCIETY

TRUSTEES REPORT

FOR THE PERIOD ENDED 7 MARCH 2022

The trustees present their report and financial statements for the period ended 7 March 2022.

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 Charities Act 2011 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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The object of the Charity is to promote, improve, develop and maintain public education in an appreciation of Science and the Arts, including the Arts of literature, music and drama. The Trustees' policy is to attract high calibre presentations in the pursuit of excellence as declared in the words of the Society's motto "Praestantiam petimus". However, as a significant number of the residents of the area have reached retirement age, it is also the Trustees' policy to ensure that the presentations are affordable to prospective members.

It is present practice to arrange sixteen presentations during a season, which extends from mid-October to early March, with a break during the Christmas period. Approximately one half is devoted to music (in many forms) and among the remainder, evenings are given to drama, poetry, dance, film and adventure of a scientific nature.

Local residents are invited to become members of the Charity by purchasing a season ticket which permits entry to all presentations. The proceeds from these memberships form the greater part of the Charity's income. In addition, non-members may purchase tickets for individual performances, subject to availability. In the summer months a small number of outings are arranged with the purpose of maintaining members' interest in the Charity from season to season and of providing an opportunity to visit places of interest they might not otherwise be able to reach.

Achievements and performance

The trustees have invested in line with the Trustees Act 2000. The investment aim was to obtain a return of 5% annually with the possibility of some growth in capital to cover inflation. Because of the financial downturn of the global economy in the past this has not been possible, however during recent years our investments have recovered considerably. The funds are monitored regularly and despite another turbulent year we are satisfied they are performing well compared with other funds of a similar type.

CLACTON & NORTH EAST ESSEX ARTS & LITERARY SOCIETY

TRUSTEES REPORT (CONTINUED)

FOR THE PERIOD ENDED 7 MARCH 2022

Financial review

The charity's financial year commences in March each year on the day following the last presentation of the previous season and terminates on the day of the last presentation of the next season. Membership in 2021/22 closed at 838, which included 13 Life members. Due to the affects that Covid has had on The Society and the reduction in memberships The Society produced a deficit of £29,397 during the period.

In order to limit the cost of the season's presentations, the Charity seeks sponsorship from local companies and members of the Society and these contributions are used to help meet the cost of hiring the theatre in which the Charity's presentations are made. The Society also attempts to increase income by welcoming donations from members and organising fund raising activities. The larger membership over the last few years has had a significant effect on the success of these activities, but the Trustees are aware that a drop in membership would have an equally detrimental effect in loss of revenue in all the fund raising activities.

With the knowledge that the costs of both the venue and the artistes rise each year and with the Charity's stated aim of constantly improving the quality of its presentations, but needing to limit the cost of the season ticket, it has for many years walked a tightrope. Previously, contractual commitment to an agreed programme and its attendant cost, before knowing what its membership and related income will be, has been a risk.

However, since the Society received generous donations from the estates of four of its former members, the Society is in a less precarious position. Some of the money received has been, and will continue to be, spent to further the aims and objectives of the Society and to enhance presentations. If needed the entire cost of one or more presentation(s) will be met from these funds.

The Trustees have a responsibility to maintain funds to ensure the financial security of the Society and its future viability and in doing so they have to bear in mind several very important factors. The present venue which we hire for presentations is large enough to cater for over eight hundred members, whose membership fees produce sufficient income to cover most of the cost of those presentations, hiring the theatre and running costs of the Society. However the Society has no guarantee that this venue will always be available. If this facility should be withdrawn, because all other venues in the locality are considerably smaller, we would be unable to sustain the Society in its present form and capital would be needed. In addition, the advancement in the technical equipment required to be hired for many performances increases costs.

At the end of the year under review, the General Funds of the Charity stood at £252,586. The only restricted fund of the Society is £2,000 from the Mr & Mrs Tom England Memorial Fund which was received, as a one off grant, by the Society during the 1997/98 season. All the Charity's money is held with HSBC, COIF Charity Funds or invested with Aegon and A J Bell.

Structure, governance and management

The governing instrument of the Clacton and North East Essex Arts and Literary Society is a constitution adopted on 14 March 1989 and registered on 13 April 1989 with the Charity Commission.

The Trustees are known as the Officers of the Society and they, together with up to ten other members, form the Management Committee. All trustees (officers) and other committee members act in an honorary capacity and are appointed annually.

CLACTON & NORTH EAST ESSEX ARTS & LITERARY SOCIETY

TRUSTEES REPORT (CONTINUED)

FOR THE PERIOD ENDED 7 MARCH 2022

Plans for future periods

The Charity is regarded locally and nationally as one of some standing. It has a good working relationship with the local authority, Tendring District Council, who own the theatre hired by us and who provide staff at a cost to us for lighting, sound etc. However the Society has been obliged to accept that the local authority is not prepared to give any assurance about the future use of the theatre beyond the period for which the annual budget has been approved.

The trustees report was approved by the Board of Trustees.

Mrs A Needham

President

Dated: 21 March 2022

CLACTON & NORTH EAST ESSEX ARTS & LITERARY SOCIETY

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CLACTON & NORTH EAST ESSEX ARTS & LITERARY SOCIETY

I report to the trustees on my examination of the financial statements of Clacton & North East Essex Arts & Literary Society (the charity) for the period ended 7 March 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of 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:

accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
the financial statements do not accord with those records; or
the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Simon Garner FCA

Independent Examiner

92 Station Road
Clacton on Sea
Essex
CO15 1SG

Dated: 22 March 2022

CLACTON & NORTH EAST ESSEX ARTS & LITERARY SOCIETY

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE PERIOD ENDED 7 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	3	4,397	-	4,397	3,013
Charitable activities	4	49,936	-	49,936	-
Other trading activities	5	552	-	552	525
Investments	6	320	-	320	1,458
Total income		55,205	-	55,205	4,996
Expenditure on:					
Raising funds	7	5,398	-	5,398	1,761
Charitable activities	8	65,746	-	65,746	5,222
Total resources expended		71,144	-	71,144	6,983
Net gains/(losses) on investments	11	(13,458)	-	(13,458)	18,986
Net movement in funds		(29,397)	-	(29,397)	16,999
Fund balances at 2 March 2021		281,983	2,000	283,983	266,984
Fund balances at 7 March 2022		252,586	2,000	254,586	283,983

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

All income and expenditure derive from continuing activities.

CLACTON & NORTH EAST ESSEX ARTS & LITERARY SOCIETY

BALANCE SHEET

AS AT 7 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		84		105
Investments	13		194,823		239,592
			<u>194,907</u>		<u>239,697</u>
Current assets					
Stocks	14	118		118	
Debtors	15	-		3,494	
Cash at bank and in hand		74,640		60,261	
		<u>74,758</u>		<u>63,873</u>	
Creditors: amounts falling due within one year	16	(15,079)		(19,587)	
Net current assets			59,679		44,286
Total assets less current liabilities			<u>254,586</u>		<u>283,983</u>
Income funds					
Restricted funds	17		2,000		2,000
Unrestricted funds			252,586		281,983
			<u>254,586</u>		<u>283,983</u>

The financial statements were approved by the Trustees on 21 March 2022

Mrs P A Waller
Trustee

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 7 MARCH 2022

1 Accounting policies

Charity information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 113 Holland Road, Clacton on Sea, Essex, CO15 6HB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- no cash flow statement has been presented for the charity; or
- disclosures in respect of financial instruments have not been prepared.

The financial statements are prepared in sterling, which is the functional currency of the charity. 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 charity 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 unless the funds have been designated for other purposes.

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.

1.4 Incoming resources

Income is recognised when the charity 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 7 MARCH 2022

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity 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.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, and other sales related taxes.

1.5 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods; or
- expenditure on charitable activities includes all costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods; or
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure for charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attribute to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

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:

Plant and machinery	25% reducing balance
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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 net income/(expenditure) for the year.

1.7 Investments

Listed investments, are initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 7 MARCH 2022

1 Accounting policies**(Continued)****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.

2 Critical accounting estimates and judgements

In the application of the charity'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.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations	4,397	3,013
	<u> </u>	<u> </u>

CLACTON & NORTH EAST ESSEX ARTS & LITERARY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 7 MARCH 2022

4 Charitable activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Subscription income	40,453	-
Box office income	645	-
Sponsorship income	3,600	-
Raffles income	1,023	-
Outing income	4,170	-
Badges and books income	45	-
	<u>49,936</u>	<u>-</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Tax reclaimed	552	525
	<u>552</u>	<u>525</u>

6 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Income on other investments	317	1,409
Bank interest received	3	49
	<u>320</u>	<u>1,458</u>

CLACTON & NORTH EAST ESSEX ARTS & LITERARY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 7 MARCH 2022

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising</u>		
Raffles	251	-
Outings	3,616	-
	<hr/>	<hr/>
Total fundraising	3,867	-
	<hr/>	<hr/>
<u>Investment management</u>		
Portfolio management	1,531	1,761
	<hr/>	<hr/>
	5,398	1,761
	<hr/>	<hr/>

8 Charitable activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Depreciation	21	35
Artists fees	49,815	200
Hospitality	293	-
Hire of theatre	10,560	-
Hire of equipment	1,166	170
Advertising	728	-
Insurance	246	1,027
Printing, postage and stationery	1,700	2,631
Sundry	257	259
Independent examination fees	960	900
	<hr/>	<hr/>
	65,746	5,222
	<hr/>	<hr/>
	65,746	5,222
	<hr/>	<hr/>

CLACTON & NORTH EAST ESSEX ARTS & LITERARY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 7 MARCH 2022

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period.

There were two trustees (2021: three) who received £734 (2021: £1,614) as reimbursement of expenses; such as, stationery, telephone and postage.

10 Employees

There were no employees during the period (2021: none).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 7 MARCH 2022

11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Revaluation of investments	(40,194)	17,896
Realised gains on listed investments	26,736	1,090
	<u>(13,458)</u>	<u>18,986</u>

12 Tangible fixed assets

	Plant and machinery £
Cost	
At 2 March 2021	7,157
At 7 March 2022	<u>7,157</u>
Depreciation and impairment	
At 2 March 2021	7,052
Depreciation charged in the period	21
At 7 March 2022	<u>7,073</u>
Carrying amount	
At 7 March 2022	<u>84</u>
At 1 March 2021	<u>105</u>

CLACTON & NORTH EAST ESSEX ARTS & LITERARY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 7 MARCH 2022

13 Investments

	2022
	£
Fair value	
At 2 March 2021	239,592
Additions	317
Net gains or losses through fair value adjustments	(13,458)
Other changes	(31,628)
	<u> </u>
At 7 March 2022	<u>194,823</u>

All investments shown above are held at valuation.

14 Stocks

	2022	2021
	£	£
Raw materials and consumables	118	118
	<u> </u>	<u> </u>

15 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Prepayments and accrued income	-	3,494
	<u> </u>	<u> </u>

16 Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	15,079	19,587
	<u> </u>	<u> </u>

17 Restricted funds

	Balance at 2 March 2021	Balance at 7 March 2022
	£	£
Mr and Mrs Tom England - Memorial Fund	2,000	2,000
	<u> </u>	<u> </u>
	<u>2,000</u>	<u>2,000</u>

18 Related party transactions

There were no disclosable related party transactions during the period (2021 - none) other than the transactions listed in note 9.