

Charity Registration No. 1140525

Company Registration No. 07371445 (England and Wales)

ARTS AT THE OLD FIRE STATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

ARTS AT THE OLD FIRE STATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J A Baldwin	(Appointed 11 September 2019)
	C Boon	(Appointed 11 September 2019)
	Dr A Fairweather-Tall	
	J Foster	
	G B J Gadney (Chair)	
	V J R Graham	
	W L W W Mangua	
	M Ounsley	
	T D Rossington	(Appointed 11 June 2019)
	K Valkeinen	
	Dr C J Wright (Treasurer)	
Secretary	R K Vallins	
Charity number	1140525	
Company number	07371445	
Registered office	40 George Street Oxford OX1 2AQ	
Independent examiner	Richardsons 30 Upper High Street Thame Oxfordshire OX9 3EZ	

ARTS AT THE OLD FIRE STATION

CONTENTS

	Page
Trustees' report	1 - 6
Independent examiner's report	7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 19

ARTS AT THE OLD FIRE STATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 30 SEPTEMBER 2019

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements for the year ended 30 September 2019.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The Objects of the Charity are, for the public benefit, to advance education in the arts in Oxford by the provision and management of an arts facility called The Old Fire Station. Over the past year, we have reviewed the aims of the company, within the context of these purposes, to better explain our mission.

What do we do?

The Old Fire Station is a public arts centre

- presenting new work across art forms
- supporting artists
- including people facing tough times.

How do we do it?

We do this by focussing on:

- good quality relationships
- encouraging creativity and risk-taking
- offering a public space which is welcoming to all.

Why is this needed?

Oxford is globally renowned for stunning heritage and outstanding research.

Oxford is also a place of disadvantage and inequality and is sometimes regarded as closed.

Oxford needs The Old Fire Station because it is about openness, inclusion, looking forward and different thinking. The Old Fire Station acts as a bridge between sectors, organisations and people.

Our Mission

Presenting new work across art forms

We want our reputation to be good quality art aimed at adults which takes a risk, asks questions and entertains. We want our audiences to have fun and be open to new ideas and different people.

Supporting artists

We support early to mid-career artists from all disciplines with advice, networks and promotion to help them become more successful.

Including people facing tough times

We share our building with the homelessness charity, Crisis. Through this partnership, we offer people who are homeless space to define themselves and choose their own labels by including them in the running of the centre. We look for ways of including others who are socially isolated and disadvantaged. This improves the quality of what we do, helps develop networks, builds resilience and leads to more stable lives. We do this, with Crisis, by offering a **public space** which is shared by very different people and helps to break down barriers and promote solidarity in Oxford. We prioritise building good quality relationships within our team, with our public and with partner organisations.

Our Values

Openness: We want everyone to feel welcome and able to contribute.

Good Quality Relationships: We try to be honest and transparent.

Innovation: We look for creative ways of operating.

Learning: We reflect deeply on what we do, seek to learn from others and listen to dissent.

Professionalism: We aim to provide the best possible service to customers, artists and collaborators.

Fun: We think it is important to play and take risks.

ARTS AT THE OLD FIRE STATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

Outcomes

We want people to identify for themselves what positive change looks like. We review and adapt the outcomes we seek based on what we learn from those with whom we work. We are currently focussed on four key outcomes:

- Everyone engaged with AOFS is more open to new ideas and different people.
- People facing tough times contribute, are heard and become more resilient.
- Oxford is a better place to live and work.
- Artists are more successful.

Our Core Activities

A **performing arts programme** of theatre, music, dance, spoken word and comedy presented mainly in the Theatre but also in other spaces. Events are programmed on a hire basis or on varying agreements around fees, guarantees and box office splits. Work ranges from some of the best UK professional small-scale touring, to local semi-professional and amateur work. We also produce work and present regular Scratch nights and networking opportunities for artists. Most events have an associated **bar**.

A **visual arts programme** presented mainly in the Gallery but also in other spaces (such as the Cafe from Crisis and Ladder Gallery, formerly known as the Theatre Entrance Space). Exhibitions usually run for six weeks and have an associated series of workshops for the public. The work ranges from early career to established artists, and includes work by professionals, students and people facing tough times. Some attract hire income or grants. Some exhibitions include work for sale.

A range of bespoke offers to **support artists** with their creative, technical, marketing, fundraising, networking and business development needs.

A **shop** selling work by UK designer/makers and providing an entrance from Gloucester Green. Our in-house **Box Office** is also based in the shop.

Spaces for hire ranging from regular weekly dance classes to performances, workshops, training, events, meetings, conferences and parties.

Six **studios** are leased to visual/sound artists for a monthly licence fee. Some are leased by individuals and others by organisations who then gift the studio to artists they wish to support. Artists have separate 24/7 access to their studios.

Facilitation and technical services are offered on a consultancy basis.

Self-produced work, usually supported by project funding, includes creative projects with people who are facing tough times (e.g. Hidden Spire, Our Place) and new work (e.g. Christmas shows).

Major events such as Marmalade (social innovation festival as a fringe to the Skoll World Forum) and Offbeat (performing arts festival in partnership with Oxford Playhouse).

Ongoing work with Crisis to enable **people who are homeless to participate** including:

- A training scheme to gain transferable skills in areas such as customer service, technical support, administration, marketing, fundraising, finance, event organisation, visual arts curation and stage management.
- Volunteering opportunities (mainly as Front of House ushers).
- Creative opportunities to make work to a high standard to present in our theatre, gallery or elsewhere in the building
- Involvement in organisational decisions including programming, recruitment, advocacy and governance.

Facilitation of wider debate about **systems change and placemaking** through close working with our funders and partners.

ARTS AT THE OLD FIRE STATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

Achievements and performance

Over the past year, we have continued to deliver around the same number of shows, exhibitions, workshops and classes across art forms. Average theatre capacity increased to 75% (68% in 17/18) and overall commercial income increased by 19%.

Stand out moments for us during the year included the following:

- Hidden Spire is a co-production by professional artists and Crisis clients which, in October 2017, culminated in a high-quality performance of a new play, *Sawdust*, and a documentary by Jo Elliott called *Life is a Circus*. In 2019, this documentary was screened on BBC Four to great critical acclaim and we are now planning our fifth *Hidden Spire* project for 2020.
- We produced our fourth Offbeat Festival (in partnership with Oxford Playhouse) which, this year, included a supported artist programme for the first time. Offbeat 2020 will include a significant increase in free outdoor theatre.
- We presented our third Christmas show for grown-ups – *Snowflake* by Mike Bartlett. This hugely successful production received 4 and 5 star reviews across national press including being listed as one of the ten best theatre shows in the UK in 2018. The show transfers to The Kiln Theatre in London for Christmas 2019.
- We presented a visual art collaboration called *Our Place* between mentors and Crisis clients which opened as part of the Christmas Light Festival and began work on another collaboration between Crisis clients and photographer Rory Carnegie called *ICON*.
- We became the sole producers of *Marmalade*, an inclusive platform for social change and fringe festival to the Skoll World Forum, increasing attendance by 24% and including more Oxfordshire contributors and attendees.
- We continue to find more ways for Crisis clients and others facing tough times to be part of the running of the arts centre. This has included joining our paid staff team, our Board of Trustees and our programming and Board sub groups.
- We developed our storytelling evaluation methodology further and published a report on the *Our Place* project.
- We have agreed to adopt the Oxford Living Wage as a minimum for all employees (applicable at the point in the year when salaries are reviewed).

LOOKING FORWARD

As well as sustaining our year round activity, our priorities for the coming year include:

- A successful *ICON* exhibition leading to a possible national tour of the work
- A successful Christmas production of Chris Bush's *The Last Noël* – building on the success of *Snowflake*.
- Development of Marmalade to include more organisations working to make Oxford a better place - making a significant contribution to community development and social inclusion.
- A bigger presence in Gloucester Green (at the back of the Old Fire Station) – increasing access to art and culture and creating a destination in Oxford.
- Creation of a fifth Hidden Spire production with high levels of engagement from Crisis clients and local theatre makers
- More engagement by Crisis clients and others facing tough times as audience, volunteers, trainees and artists.
- Close working with local and national partners to share learning and improve practice in creating services focussed on people rather than processes.
- Further development of our storytelling activity and sharing of the methodology with others.
- Making a bigger contribution to tackling the climate emergency by reducing carbon emissions and waste in the building and by encouraging debate.
- Better external communications so that we are better understood by the wider public.
- An increase in margins on our commercial activity
- Growing support from individual donors
- Development of a more diverse staff and volunteer team so that it better reflects the wider community.

ARTS AT THE OLD FIRE STATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

Financial review

In accordance with the charity's Memorandum and Articles of Association, all surpluses are applied solely towards the promotion of activities of the charity.

Turnover in the year was £801,107 – an increase on the previous year (£771,911). There was a surplus on unrestricted funds of £20,521 which results in a balance on unrestricted funds at the end of the year of £137,450 – an increase on the previous year (£116,929). Several major national Foundations continue to support the charity including Esmée Fairbairn Foundation, Lankelly Chase Foundation, Paul Hamlyn Foundation and the National Lottery Community Fund. New major funders that have begun multi-year grants include Rothschild Foundation and Lloyds Bank Foundation. Oxford City Council has also continued to support the charity with funding and in-kind contributions. Arts Council England has supported the Offbeat Festival, the ICON project as well as Marmalade. Support from the Arts Council England Catalyst (Evolve) Scheme (which ended in 2019) has enabled us to focus more on developing individual and corporate donors. As it is now eight years since the building was refurbished, significant asset replacement and building maintenance has become necessary. In particular, there have been significant problems with the roof leading to water ingress. To this end, £70,000 was provided in the 2017/18 accounts and a further £18,635 was incurred in 2018/19.

Reserves policy

Where appropriate, Arts at the Old Fire Station holds restricted funds in accordance with funders' requirements.

Free reserves are that part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes. The charity's reserves policy is designed to reflect the underlying risks facing the charity and to ensure that it has an appropriate level of reserves to safeguard its operations and services. This includes contingency for shortfalls in income, covering unexpected expenditure and funding known project deficits where Trustees have identified a project as key to charitable objectives.

The Trustees have considered the minimum level of free reserves that are sufficient to support the charity's operations. Relevant factors include projected financial performance including cash flow requirements, the extent to which multi-year grant payments received relate to subsequent years' expenditure and an assessment of the risks to the charity's income streams. In addition, the Trustees have noted that it is now eight years since the Old Fire Station was refurbished and have decided to establish a designated reserve for future expenditure on major repairs. £10,000 has been transferred to this reserve in the year and it is intended that further funds will be allocated to this designated reserve in future years.

Following this review, the Trustees have determined that the required level of free reserves is a minimum of £150,000. The Trustees aim to achieve the reserves target in the medium term. At September 2019, the charity's total funds were £147,450 and its free reserves (excluding fixed assets and the designated reserve) were lower than the desired level, at £109,946, but have increased over the past year from £93,724.

The reserves requirement and underlying factors are considered annually and the minimum reserves requirement is, therefore, expected to change over time. The Trustees plan to continue to focus on seeking external funding for core costs, in particular multi-year awards from significant funders. In addition, income from individual donors, artistic productions and commercial activity will be further developed whilst maintaining tight control over expenditure.

ARTS AT THE OLD FIRE STATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

Risk

The Trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks.

No system of internal control can give absolute assurance against material misstatement or loss. However, Arts at the Old Fire Station believes that it has appropriate procedures and controls to adequately mitigate against risks to which it is exposed. Systems include:

- plans and budgets which are approved by the Trustees
- regular consideration by the Trustees of monthly management accounts, variance from budgets, non-financial performance indicators and benchmarking reviews
- in depth review of financial performance and risk by the Treasurer
- close collaboration with the landlord and head tenant regarding building maintenance, safety and security
- identification and management of risks.

The charity's approach to risk management includes the rating of identified risks according to the likelihood and impact of the risk occurring. Mitigating controls have been identified and, where further action is required, deadlines and responsibilities assigned. Those activities with higher risk ratings are prioritised. The risk register is reviewed annually by the Board of Trustees. The main risks facing Arts at the Old Fire Station have been identified as failure to meet fundraising or business income targets, loss of key staff at this early stage of development, and serious building malfunction.

Structure, governance and management

Status

Arts at the Old Fire Station is a registered charity (no. 1140525) and a company limited by guarantee (no.7371445) with its own constitution - the 'Memorandum and Articles of Association'. The Trustees of Arts at the Old Fire Station are responsible for overseeing the management and administration of the charity and have ultimate responsibility for the charity's activities. The Trustees are also the Directors of the company.

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

J A Baldwin	(Appointed 11 September 2019)
C Boon	(Appointed 11 September 2019)
Dr A Fairweather-Tall	
K D Felton	(Resigned 10 December 2019)
J Foster	
G B J Gadney (Chair)	
V J R Graham	
S E W Raikes	(Resigned 12 March 2019)
W L W W Mangua	
M Ounsley	
T D Rossington	(Appointed 11 June 2019)
K Valkeinen	
Dr C J Wright (Treasurer)	

ARTS AT THE OLD FIRE STATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

Directors

Arts at the Old Fire Station (AOFS) has a Board of Trustees on which there can be a minimum of three and a maximum of twelve Trustees. They are appointed on the basis of the expertise and experience that they can bring to the running and development of the company. New Trustees are identified through both professional and other contacts and by advertisement. Each year one third of Trustees retire by rotation (those longest serving) but each is able to put themselves forward for re-election if they wish. In addition, Paula Redway, Cultural Development Manager at Oxford City Council, attends most meetings as an observer. Several long standing Trustees have left the Board over the past two years. Guy Gadney completed his first year as the new Chair in September 2019 and three new Trustees were appointed during the year. Keith Felton, a Trustee and Director of the company during the year, is also a member of the Crisis UK senior management team. AOFS is a sub-tenant of Crisis UK in Oxford. No rental costs were charged as the costs are covered by a grant from Oxford City Council. Crisis and AOFS provide services to each other on a full cost recovery basis. AOFS paid Crisis a total of £90,771 for various services in the year of which £18,635 was a one-off contribution to refurbishment costs (payments in 2017/18 were £55,945).

Structure

The Board of Trustees met four times during the year. Day-to-day responsibility is delegated to paid staff with support from sub groups of the Board which include co-opted members. Strategic/policy decisions are taken by the Board.

The Executive Director is Jeremy Spafford and the Deputy Director is Rebecca Vallins.

The trustees' report was approved by the Board of Trustees.

Dr C J Wright (Treasurer)

Trustee

Dated: 10 March 2020

ARTS AT THE OLD FIRE STATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ARTS AT THE OLD FIRE STATION

I report to the trustees on my examination of the financial statements of Arts at the Old Fire Station (the charitable company) for the year ended 30 September 2019.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Jemima King ACA
Richardsons
30 Upper High Street
Thame
Oxfordshire
OX9 3EZ

Dated: 10 March 2020

ARTS AT THE OLD FIRE STATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2019

		Unrestricted funds	Designated funds	Restricted funds	Total	Total
	Notes	2019 £	2019 £	2019 £	2019 £	2018 £
<u>Income from:</u>						
Donations and legacies	3	337,621	-	208,951	546,572	544,437
Charitable activities	4	5,065	-	-	5,065	15,626
Other trading activities	5	249,198	-	-	249,198	211,764
Investments	6	272	-	-	272	84
Total income		592,156	-	208,951	801,107	771,911
<u>Expenditure on:</u>						
Generating income	7	131,083	-	-	131,083	124,032
Charitable activities	8	430,552	-	208,951	639,503	647,435
Total resources expended		561,635	-	208,951	770,586	771,467
Net incoming resources before transfers		30,521	-	-	30,521	444
Gross transfers between funds		(10,000)	10,000	-	-	-
Net income for the year/ Net movement in funds		20,521	10,000	-	30,521	444
Fund balances at 1 October 2018		116,929	-	-	116,929	116,485
Fund balances at 30 September 2019		137,450	10,000	-	147,450	116,929

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

All income and expenditure derive from continuing activities.

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

ARTS AT THE OLD FIRE STATION

BALANCE SHEET

AS AT 30 SEPTEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	11		27,504		23,205
Current assets					
Stocks	12	12,480		8,969	
Debtors	13	42,460		43,529	
Cash at bank and in hand		242,624		253,969	
		297,564		306,467	
Creditors: amounts falling due within one year	14	(177,618)		(212,743)	
Net current assets			119,946		93,724
Total assets less current liabilities			147,450		116,929
Income funds					
Designated funds			10,000		-
Unrestricted funds			137,450		116,929
			147,450		116,929

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2019.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

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

The financial statements were approved by the Trustees on 10 March 2020

Dr C J Wright (Treasurer)
Trustee

Company Registration No. 07371445

ARTS AT THE OLD FIRE STATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

1 Accounting policies

Charity information

Arts at the Old Fire Station is a private company limited by guarantee incorporated in England and Wales. The registered office is 40 George Street, Oxford, OX1 2AQ.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's Memorandum of Articles, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific 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 charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

ARTS AT THE OLD FIRE STATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

1 Accounting policies

(Continued)

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, VAT and other sales related taxes.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the charity to the expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the charity. Where costs can not be directly attributed to particular heading they have been allocated to activities on a basis consistent with the use of resources.

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:

Theatre and shop equipment	33% straight line basis
Fixtures and fittings	25% straight line basis
Computers	33% straight line basis

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 Impairment of fixed assets

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Stocks

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

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

1.9 Cash and cash equivalents

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

ARTS AT THE OLD FIRE STATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011.

Theatre Tax Relief is recognised as the amount expected to be recovered based on qualifying expenditure incurred and the rates of relief that have been enacted at the balance sheet date.

1.11 Employee benefits

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

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

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

ARTS AT THE OLD FIRE STATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Donations and gifts	337,621	208,951	546,572	544,437
For the year ended 30 September 2018	329,088	215,349		544,437
Donations and gifts				
Arts Council England	19,995	75,285	95,280	121,110
The National Lottery Community Fund	-	70,825	70,825	89,586
CIVA	-	-	-	26,254
Esmee Fairbairn Foundation	50,000	5,000	55,000	50,000
Lankelly Chase Foundation	50,000	-	50,000	56,000
Rothschild Foundation	42,000	-	42,000	-
Oxford City Council	32,134	2,000	34,134	38,345
The Tudor Trust	-	-	-	25,000
Paul Hamlyn Foundation	70,000	-	70,000	70,000
Donations	64,202	7,347	71,549	33,487
Other	9,290	19,650	28,940	34,655
Skoll Foundation	-	26,153	26,153	-
Lloyds Bank Foundation	-	2,691	2,691	-
	337,621	208,951	546,572	544,437

4 Charitable activities

	2019 £	2018 £
Theatre tax credit	5,065	15,626
Analysis by fund		
Unrestricted funds	5,065	
For the year ended 30 September 2018		15,626
Unrestricted funds		12,997
Restricted funds		2,629
		15,626

ARTS AT THE OLD FIRE STATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

5 Other trading activities

	Unrestricted funds	Total
	2019 £	2018 £
Product Sales	90,926	75,455
Venue and equipment hire	77,168	85,268
Consultancy income	6,902	9,305
Advertising	2,250	(200)
Technical services	1,230	960
Ticket sales	70,722	40,976
	<hr/>	<hr/>
Other trading activities	249,198	211,764
	<hr/>	<hr/>

6 Investments

	Unrestricted funds	Total
	2019 £	2018 £
Interest receivable	272	84
	<hr/>	<hr/>

7 Generating income

	Unrestricted funds	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
<u>Fundraising and publicity</u>				
Hospitality	11,109	-	11,109	4,448
Advertising	7,985	-	7,985	15,637
	<hr/>	<hr/>	<hr/>	<hr/>
Fundraising and publicity	19,094	-	19,094	20,085
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Trading costs</u>				
Cost of Sales	111,989	-	111,989	103,947
	<hr/>	<hr/>	<hr/>	<hr/>
	131,083	-	131,083	124,032
	<hr/>	<hr/>	<hr/>	<hr/>

ARTS AT THE OLD FIRE STATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

7 Generating income

(Continued)

For the year ended 30 September 2018

Fundraising and publicity	11,463	8,622	20,085
Trading costs	103,947	-	103,947
	<u>115,410</u>	<u>8,622</u>	<u>124,032</u>

8 Charitable activities

	2019 £	2018 £
Staff costs	439,978	406,244
Equipment hire	5,432	3,386
Bad debts	872	3,705
Bank charges and loan interest	4,632	4,238
Consultancy, artist and professional fees	30,393	31,364
Depreciation	10,035	7,273
Licences and insurance	4,082	3,758
Premises	57,398	50,872
Printing, postage and stationery	12,629	10,776
Repairs and maintenance	26,058	78,070
Bookkeeping	12,325	16,188
Telephone and IT expenses	20,754	13,118
Travel and subsistence	10,853	11,635
Subscriptions	4,006	6,572
Sundry expenses	56	236
	<u>639,503</u>	<u>647,435</u>
	<u>639,503</u>	<u>647,435</u>
Analysis by fund		
Unrestricted funds	430,552	438,079
Restricted funds	208,951	209,356
	<u>639,503</u>	<u>647,435</u>
For the year ended 30 September 2018		
Unrestricted funds	438,079	
Restricted funds	209,356	
	<u>647,435</u>	

ARTS AT THE OLD FIRE STATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year, for performing their duties as trustees and directors. They are entitled to claim legitimate expenses incurred on behalf of the charitable company.

Trustees' expenses of £Nil were paid for the year ended 30 September 2019 (2018: £299).

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Permanent staff	16	15
Casual staff	9	10
	<hr/> 25	<hr/> 25
	<hr/> <hr/>	<hr/> <hr/>

Employment costs

	2019 £	2018 £
Wages and salaries	408,463	376,775
Social security costs	28,773	26,734
Other pension costs	2,742	2,735
	<hr/> 439,978	<hr/> 406,244
	<hr/> <hr/>	<hr/> <hr/>

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

ARTS AT THE OLD FIRE STATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

11 Tangible fixed assets

	Theatre and shop equipment	Fixtures and fittings	Computers	Total
	£	£	£	£
Cost				
At 1 October 2018	13,303	14,205	16,756	44,264
Additions	270	12,233	1,831	14,334
At 30 September 2019	13,573	26,438	18,587	58,598
Depreciation and impairment				
At 1 October 2018	1,246	9,723	10,090	21,059
Depreciation charged in the year	4,299	757	4,979	10,035
At 30 September 2019	5,545	10,480	15,069	31,094
Carrying amount				
At 30 September 2019	8,028	15,958	3,518	27,504
At 30 September 2018	12,057	4,482	6,666	23,205

12 Stocks

	2019 £	2018 £
Finished goods and goods for resale	12,480	8,969

13 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	20,651	17,828
Other debtors	9,040	19,464
Prepayments and accrued income	12,769	6,237
	42,460	43,529

ARTS AT THE OLD FIRE STATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

14 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	21,645	20,143
Provision for building maintenance	14,212	70,000
Other creditors	9,782	9,548
Accruals and deferred income	131,979	113,052
	<u>177,618</u>	<u>212,743</u>

Included in deferred income were the following grants:

	2019 £	2018 £
National Lottery Community Fund	-	24,591
Arts Council England	11,770	12,410
Arts Council England - Catalyst	-	16,191
Skoll Foundation	27,836	-
Other grants	20,854	10,720
Lloyds Bank Foundation	29,610	-
	<u>90,070</u>	<u>63,912</u>

15 Retirement benefit schemes

Defined contribution schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £11,109 (2018: £4,448).

16 Analysis of net assets between funds

	Unrestricted 2019 £	Designated 2019 £	Restricted 2019 £	Total 2019 £	Total 2018 £
Fund balances at 30 September 2019 are represented by:					
Tangible assets	27,504	-	-	27,504	23,205
Current assets/(liabilities)	109,946	10,000	-	119,946	93,724
	<u>137,450</u>	<u>10,000</u>	<u>-</u>	<u>147,450</u>	<u>116,929</u>

ARTS AT THE OLD FIRE STATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

17 Related party transactions

There were no disclosable related party transactions during the year (2018: none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019 £	2018 £
Aggregate compensation	50,166	50,000