

Charity Registration No. 801562

Company Registration No. 02372379 (England and Wales)

ST ETHELDREDA ART STUDIO
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



ARGENTS
Chartered Accountants

ST ETHELDREDA ART STUDIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Miriam Barnett Aileen Cruse Frank Eliel Barbara Richards Henry Rolph
Secretary	Michael Chapman
Charity number	801562
Company number	02372379
Independent examiner	Argents Accountants Limited 15 Palace Street NORWICH Norfolk United Kingdom NR3 1RT

ST ETHELDREDA ART STUDIO

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 13

ST ETHELDREDA ART STUDIO

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

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 charity's governing document, a Deed of Trust, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects and its principal activities for the public benefit continue to be:

- (a.) to promote the education of the public in visual arts, and
 - (b.) to promote the education of young artists by providing facilities for training and displaying their work.
- There has been no change in these during the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Our policy continues to be to rent premises and provide this and other facilities at reasonable cost to promote the charities objectives.

During the year the Covid pandemic was in full force. The Government supplied grants to help organisations like ours. These monies account for the large increase in receipts. This is likely a one-off.

The Trustees created two designated funds from these otherwise unrestricted funds:

1. The "hardship fund" was set at £2000 and was to allow the Board to choose to help artists who are tenants who apply for financial assistance. In unusual circumstances this could be extended to include past tenants. One small request was granted in this year.
2. The "development fund" was set at £8000. This was for any spend on an activity that helps ensure the ongoing viability of the Studios. That could include for example; improvements to the building (eg partitioning, plumbing, heating, lighting etc), promotional work that increases the recognition and standing of the Charity or support for the development of artists within the Studios.

Financial review

The financial results for the year and financial position of the company are shown in the annexed financial statements, and were considered satisfactory.

The reserves are considered adequate by the trustees for working capital and continued process of improvement. Due to the size of the reserves and their relatively short term nature, they are being held as cash in the bank.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

ST ETHELDREDA ART STUDIO

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

The charity is controlled by its governing document, a Deed of Trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

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:

Miriam Barnett

Aileen Cruse

Frank Eliel

Barbara Richards

Henry Rolph

The trustees are elected by the members.

The charity is organised so that the trustees meet regularly to manage its affairs and is run by volunteers.

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

Trustee

Dated: 22 October 2021

ST ETHELDREDA ART STUDIO

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ST ETHELDREDA ART STUDIO

I report to the trustees on my examination of the financial statements of St Etheldreda Art Studio (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charity (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 charity 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 charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the 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 financial statements to be reached.

Mark Johnstone
Argents Accountants Limited
15 Palace Street
NORWICH
Norfolk
NR3 1RT
United Kingdom

Dated: 10 November 2021

ST ETHELDREDA ART STUDIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income from:</u>							
Donations, legacies and grants	3	19,907	-	19,907	1,046	-	1,046
Charitable activities	4	6,650	-	6,650	7,945	-	7,945
Investments	5	3	-	3	6	-	6
Total income		<u>26,560</u>	<u>-</u>	<u>26,560</u>	<u>8,997</u>	<u>-</u>	<u>8,997</u>
<u>Expenditure on:</u>							
Charitable activities	6	<u>7,496</u>	<u>37</u>	<u>7,533</u>	<u>11,268</u>	<u>46</u>	<u>11,314</u>
Net income/(expenditure) for the year/ Net movement in funds		19,064	(37)	19,027	(2,271)	(46)	(2,317)
Fund balances at 1 April 2020		<u>2,849</u>	<u>183</u>	<u>3,032</u>	<u>5,120</u>	<u>229</u>	<u>5,349</u>
Fund balances at 31 March 2021		<u><u>21,913</u></u>	<u><u>146</u></u>	<u><u>22,059</u></u>	<u><u>2,849</u></u>	<u><u>183</u></u>	<u><u>3,032</u></u>

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.

ST ETHELDREDA ART STUDIO

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		146		183
Current assets					
Debtors	12	130		70	
Cash at bank and in hand		22,603		3,019	
		<u>22,733</u>		<u>3,089</u>	
Creditors: amounts falling due within one year	13	(820)		(240)	
Net current assets			21,913		2,849
Total assets less current liabilities			<u>22,059</u>		<u>3,032</u>
Income funds					
Restricted funds	14		146		183
<u>Unrestricted funds</u>					
Designated funds	15	9,880		-	
General unrestricted funds		12,033		2,849	
		<u></u>	21,913	<u></u>	2,849
			<u>22,059</u>		<u>3,032</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

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

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

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

The financial statements were approved by the Trustees on 22 October 2021

Trustee

Company Registration No. 02372379

ST ETHELDREDA ART STUDIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

St Etheldreda Art Studio is a private company limited by guarantee incorporated in England and Wales. The registered office is .

1.1 Accounting convention

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

The charity 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 charity. 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 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.

Designated funds represent unrestricted funds set aside by the trustees for a specific purpose. Such funds can be undesignated or re-designated at a later date at the discretion of the trustees.

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

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

1.4 Income

Income, including that from grants, 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.

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.

Legacies are recognised on receipt or otherwise if the charity 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.

ST ETHELDREDA ART STUDIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that 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 category. Where costs cannot be directly attributed to particular headings 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:

Fixtures and fittings	20% on reducing balances
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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 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

Basic financial assets

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

ST ETHELDREDA ART STUDIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Taxation

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

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, legacies and grants

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Donations and gifts	-	1,046
Coronavirus Business Support Grants	19,907	-
	<u>19,907</u>	<u>1,046</u>

ST ETHELDREDA ART STUDIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	Art Studio	Total	Art Studio	Exhibitions	Total
	2021	2021	2020	and events	2020
	£	£	£	2020	£
Studio rental income	(6,650)	(6,650)	(7,618)	-	(7,618)
Commissions on sales	-	-	-	22	22
Events and other fee income	-	-	-	305	305
	<u>6,650</u>	<u>6,650</u>	<u>7,618</u>	<u>327</u>	<u>7,945</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	<u>3</u>	<u>6</u>

ST ETHELDREDA ART STUDIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

	Art Studio 2021 £	Exhibitions and events 2021 £	Total 2021 £	Art Studio 2020 £	Exhibitions and events 2020 £	Total 2020 £
Depreciation and impairment	37	-	37	46	-	46
Rent and insurance	4,647	-	4,647	4,810	-	4,810
Rates	49	-	49	517	-	517
Electricity	387	-	387	351	-	351
Water	309	-	309	124	-	124
Telephone	308	-	308	249	-	249
Building maintenance	1,456	-	1,456	4,535	-	4,535
Exhibitions	-	(280)	(280)	-	280	280
Advertising	75	-	75	150	-	150
Sundries	155	-	155	72	-	72
	<u>7,423</u>	<u>(280)</u>	<u>7,143</u>	<u>10,854</u>	<u>280</u>	<u>11,134</u>
Grant funding of activities (see note 7)	120	-	120	-	-	-
Share of governance costs (see note 8)	270	-	270	180	-	180
	<u>7,813</u>	<u>(280)</u>	<u>7,533</u>	<u>11,034</u>	<u>280</u>	<u>11,314</u>
Analysis by fund						
Unrestricted funds	7,776	(280)	7,496	10,988	280	11,268
Restricted funds	37	-	37	46	-	46
	<u>7,813</u>	<u>(280)</u>	<u>7,533</u>	<u>11,034</u>	<u>280</u>	<u>11,314</u>

7 Grants payable

	Art Studio 2021 £	2020 £
Grants to institutions:		
Grants to individuals	120	-
	<u>120</u>	<u>-</u>

-

ST ETHELDREDA ART STUDIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Accountancy	-	270	270	-	180	180
	<u>-</u>	<u>270</u>	<u>270</u>	<u>-</u>	<u>180</u>	<u>180</u>
	<u>-</u>	<u>270</u>	<u>270</u>	<u>-</u>	<u>180</u>	<u>180</u>
Analysed between Charitable activities	-	270	270	-	180	180
	<u>-</u>	<u>270</u>	<u>270</u>	<u>-</u>	<u>180</u>	<u>180</u>

9 Trustees

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

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-
	<u>-</u>	<u>-</u>

11 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2020	8,321
At 31 March 2021	8,321
Depreciation and impairment	
At 1 April 2020	8,138
Depreciation charged in the year	37
At 31 March 2021	8,175
Carrying amount	
At 31 March 2021	146
At 31 March 2020	183

ST ETHELDREDA ART STUDIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

12 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	130	70
	<u>130</u>	<u>70</u>

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	550	50
Accruals and deferred income	270	190
	<u>820</u>	<u>240</u>

14 Restricted funds

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

	Balance at 1 April 2019 £	Resources expended £	Balance at 1 April 2020 £	Resources expended £	Balance at 31 March 2021 £
Fixtures and Fittings	229	(46)	183	(37)	146
	<u>229</u>	<u>(46)</u>	<u>183</u>	<u>(37)</u>	<u>146</u>

15 Designated funds

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

	Movement in funds				
	Incoming resources £	Balance at 1 April 2020 £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Hardship fund	-	-	(120)	2,000	1,880
Development fund	-	-	-	8,000	8,000
	<u>-</u>	<u>-</u>	<u>(120)</u>	<u>10,000</u>	<u>9,880</u>

ST ETHELDREDA ART STUDIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	-	146	146	-	183	183
Current assets/ (liabilities)	21,913	-	21,913	2,849	-	2,849
	<u>21,913</u>	<u>146</u>	<u>22,059</u>	<u>2,849</u>	<u>183</u>	<u>3,032</u>

17 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).