

REGISTERED COMPANY NUMBER: 01915997 (England and Wales)
REGISTERED CHARITY NUMBER: 298437

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
LUTON COMMUNITY ARTS TRUST LIMITED**

FKCA Limited
260 - 270 Butterfield
Great Marlings
Luton
Bedfordshire
LU2 8DL

LUTON COMMUNITY ARTS TRUST LIMITED

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for the Year Ended 31 MARCH 2021**

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LUTON COMMUNITY ARTS TRUST LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS
for the Year Ended 31 MARCH 2021

TRUSTEES	Mr G K Collin Trustee Mr R Batson Trustee Mr O Cligan Trustee Ms R Davis Trustee Mr M S Wooldridge Trustee
COMPANY SECRETARY	Mr P Jolly
REGISTERED OFFICE	260 - 270 Butterfield Great Marlings Luton Bedfordshire LU2 8DL
REGISTERED COMPANY NUMBER	01915997 (England and Wales)
REGISTERED CHARITY NUMBER	298437

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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).

Information required under company law to be disclosed in the report of the Directors is contained within the below report of the Trustees.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Trusts major core activity, SNAP, aims to provide free arts activities, social training and facilities for young people who are excluded from mainstream activities due to the following; age, gender, lifestyle, ethnicity, socio-economic status, lack of educational achievement, homelessness etc. In undertaking this activity we introduce young people to arts experiences, support independent cultural expression, build skills and motivate personal development through the production of peer-aimed messages. The project also supports participants' enquiries in relation to education, training and employment opportunities and health (including sexual health, diet, access to GPs and substance misuse). To achieve its objectives the Trust continued to provide a series of in-house projects. Additional to the in-house projects the trust also increased the level of out-reach projects. The Trust also works closely with other agencies to offer mutual support, practical project input and shared resources. Activities included facilitating unique projects within a professional photographic, visual arts and studio environment. Other diversionary educational activity was targeted at the most excluded young people through a range of creative projects that developed life and social skills by using photography, digital imaging, set and costume design, make up, poetry, drama, video and music.

Project themes developed with the participants via group work and individual consultation including Drug & Alcohol Awareness, Positive Aspirations, Identity, the Law, Homelessness, Healthy Eating and Crime. During the year, the Trust further maintained projects for socially excluded young people and managed the activities of its trading arm, 33 RPM Limited.

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

OBJECTIVES AND ACTIVITIES

Significant activities

Due to the effect of the Covid 19 Pandemic and the resulting national lockdown most regular activities of the Trust - especially those involving outreach projects ceased to be provided.

As reported in the 2020 Report, cessation of activities happened on the 9th March 2020.

The SNAP Project

Although unable to work from our Hightown premises, the trustees carried on a useful program, from April, providing sign-posting support to previous vulnerable users of the SNAP project.

This work was in the most part carried on from the trustees home - using equipment and basic facilities that had been relocated from the Hightown Office.

33 RPM

The work of the trading arm, 33 RPM, was maintained through continued development of on-line activities, including pro-active response to the streaming trends undertaken by the musicians in response to the closure of venues and recording studios.

Although limited, sales of products were undertaken by mail order and sales of downloads and product streaming continued. Administration of 33 RPM's work was in the main organised from home, again with the help of re-locating equipment from the Hightown premises.

Significant Other Information

As with other organisations of similar size, the Trust received a Covid support grant of £10,000 to help with rent and related expenditure.

It was agreed to maintain the Hightown premise to both create post Covid opportunities and to act as a storage facility for both 33 RPM and the archive material.

Although applications to the National Heritage Lottery Funds were prioritised to support those organisations seriously impacted by COVID 19, research was continued in respect of the Trusts aims to develop an archive project to create an archive from the historical of the work of LCAT - especially relating to the period 1975 -2000.

ACHIEVEMENT AND PERFORMANCE

During the year, the Trust maintained research into alternative sources of funding to enable work to be maintained and developed. To protect this policy, the Trust maintains a Reserves Policy to both enable provision of a year's full programme of activity and to support comprehensive ongoing fund-raising initiatives.

This policy has attracted an increase of one-off project funding, whilst some core revenue can be used for maintaining the costs of housing, insurance and other essential utilities.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general on guidance public benefit when setting their policies for the year in line with the charity's aims and objectives.

The Trustees are satisfied that the supported projects provide clear public benefit, and that activities are available to all young people within the local community.

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

FINANCIAL REVIEW

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between nine and twelve month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have considered the future of the charity in conjunction with the current economic climate and although satisfied that the charity currently has sufficient resources to continue activities, consider it prudent to set aside a reserve or 'contingency fund' sufficient to enable the charity to wind down effectively should a future reduction in funding leave it unsustainable to continue. The amount required is currently estimated at £30,747 and is currently being held in the contingency fund reserve.

The Trustees are fairly satisfied with the position of the charity at the balance sheet date. The results for the year set out on page 7, shows net expenditure of £33,769 on unrestricted funds and expenditure of £548 on restricted funds leaving funds of £66,319 and £1,841 respectively.

Going concern

The trustees have considered the implications of potential cuts to funding and are satisfied that the retained reserves will be sufficient to support the charity in the event of a reduction in the incoming resources until alternative funding is available. As such the going concern basis has been adopted and the Trustees are satisfied that the charity will continue providing services for at least 12 months.

There are no material uncertainties about the Charity's ability to continue as a going concern.

In view of the Coronavirus (COVID 19) pandemic and its impact on the Charity, the Trustees have considered the financial health of the Charity. With this in mind the Trustees believe that the Charity at the date of signing, will continue as a going concern for the foreseeable future.

FUTURE PLANS

The Trust continues to monitor the impact of current Government reductions of funding on the Voluntary Sector.

Given the continuing impact on local authority funding, the Trust will maintain exploration of new funding streams by way of developing further one off project activity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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 organisation is a charitable company limited by guarantee, incorporation on 22 May 1985 and registered as a charity on 1 February 1978. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

Trustees are appointed by the Council of Management (COM) by vote at a yearly AGM of the Trust, as laid out within the Trust's Memorandum and Articles. If new Trustees are required during the year they are co-opted onto the COM and their appointment ratified by an AGM.

Organisational structure

The Trust is a company limited by guarantee and is governed by its Memorandum of Association.

The Trust is governed by a Council of Management meeting 4 to 6 times yearly. The COM has a responsibility to govern the activities of the Trust. None of the Trustees have any beneficial interest in the Company.

The Charity employs 2 persons and has 4 voluntary workers to assist in carrying out the Trust's objectives.

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

All new appointments to the COM are required to have a full understanding of the work of the Charity and have knowledge of the day to day project activity. All Trustees are kept up to date with all training initiatives, both locally and nationally, that relate to their responsibilities as Trustees of a charitable organisation.

Related parties

The charity considers its related parties to be the trustees and its subsidiary company, 33 RPM Limited.

Approved by order of the board of trustees on 21 December 2021 and signed on its behalf by:

Mr P Jolly - Secretary

LUTON COMMUNITY ARTS TRUST LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		-	-	-	55,000
Investment income	2	20	-	20	36
Other income	3	10,000	-	10,000	221
Total		10,020	-	10,020	55,257
EXPENDITURE ON					
Charitable activities	4				
Charitable activities		43,789	548	44,337	47,858
NET INCOME/(EXPENDITURE)		(33,769)	(548)	(34,317)	7,399
Transfers between funds	13	(2,389)	2,389	-	-
Net movement in funds		(36,158)	1,841	(34,317)	7,399
RECONCILIATION OF FUNDS					
Total funds brought forward		102,477	-	102,477	95,078
TOTAL FUNDS CARRIED FORWARD		66,319	1,841	68,160	102,477

The notes form part of these financial statements

LUTON COMMUNITY ARTS TRUST LIMITED (REGISTERED NUMBER: 01915997)

**BALANCE SHEET
31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	9	-	1,842	1,842	2,389
Investments	10	100	-	100	100
		<u>100</u>	<u>1,842</u>	<u>1,942</u>	<u>2,489</u>
CURRENT ASSETS					
Debtors	11	4,325	-	4,325	3,500
Cash at bank and in hand		65,591	-	65,591	100,726
		<u>69,916</u>	<u>-</u>	<u>69,916</u>	<u>104,226</u>
CREDITORS					
Amounts falling due within one year	12	(3,698)	-	(3,698)	(4,238)
NET CURRENT ASSETS		<u>66,218</u>	<u>-</u>	<u>66,218</u>	<u>99,988</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>66,318</u>	<u>1,842</u>	<u>68,160</u>	<u>102,477</u>
NET ASSETS		<u>66,318</u>	<u>1,842</u>	<u>68,160</u>	<u>102,477</u>
FUNDS	13				
Unrestricted funds				66,318	102,477
Restricted funds				1,842	-
TOTAL FUNDS				<u>68,160</u>	<u>102,477</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

LUTON COMMUNITY ARTS TRUST LIMITED (REGISTERED NUMBER: 01915997)

BALANCE SHEET - continued
31 MARCH 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 21 December 2021 and were signed on its behalf by:

Mr G K Collin - Trustee

LUTON COMMUNITY ARTS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The presentation currency of the financial statements is the Pound Sterling (£).

Luton Community Arts Trust Limited meets the definition of a public benefit entity under FRS 102.

In view of the Coronavirus (COVID 19) pandemic and its impact on the Charity, the Trustees have considered the financial health of the Charity. With this in mind the Trustees believe that the Charity at the date of signing, will continue as a going concern for the foreseeable future.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Government grants

Government grants are recognised within other income when deemed to be receivable by the charity.

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.

Charitable activities

Charitable expenditure comprises of those costs incurred by the charity in the delivery of its activities and services for the beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature to support them.

Governance costs

Governance costs comprise of all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to legal fees together with an apportionment of overhead and support costs.

Allocation of overhead and support costs

Costs are allocated where possible directly to the activity to which they relate, or on a basis consistent with the use of resources.

Tangible fixed assets

All assets costing more than £100 are capitalised and all assets are valued at historic cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures, fittings and equipment	10% to 33.3% reducing balance
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Taxation

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

LUTON COMMUNITY ARTS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Investments

Investment in the subsidiary is included in the balance sheet at cost. The company and its subsidiary comprise a small group. The company has taken advantage of the exemption provided in section 398 of the Companies Act 2006 not to prepare group financial statements and accordingly these financial statements present information about the company as a single undertaking.

2. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	20	36
	<u>20</u>	<u>36</u>

3. OTHER INCOME

	2021	2020
	£	£
Workshops	-	221
Government grant	10,000	-
	<u>10,000</u>	<u>221</u>

4. CHARITABLE ACTIVITIES AND SUPPORT COSTS

	Direct Charitable Expenditure £	Support £	Total 2021 £	Total 2020 £
Staff costs	24,948	8,316	33,264	33,264
Depreciation	548	-	548	763
Other costs	8,975	1,550	10,525	13,831
	<u>34,471</u>	<u>9,866</u>	<u>44,337</u>	<u>47,858</u>

LUTON COMMUNITY ARTS TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021**

5. SUPPORT COSTS

	Management	Governance	Totals
	£	costs £	£
Charitable activities	8,316	1,550	9,866
	<u>8,316</u>	<u>1,550</u>	<u>9,866</u>

Support costs, included in the above, are as follows:

	2021 Charitable activities £	2020 Total activities £
Wages	8,316	8,316
Independent examiners remuneration	-	1,000
Independent examiners remuneration for non assurance work	1,550	1,600
	<u>9,866</u>	<u>10,916</u>

6. NET INCOME/(EXPENDITURE)

Net resources are stated after charging/(crediting):

	2021 £	2020 £
Independent Examiner's remuneration	-	1,000
Accountancy	1,550	1,600
Depreciation	<u>1,550</u>	<u>1,600</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

8. STAFF COSTS

	2021 £	2020 £
Salaries and wages	33,264	33,264
	<u>33,264</u>	<u>33,264</u>

The average number of employees during the year was 2 (2020: 2).
The charity also had no voluntary workers (2020: 4).

No employees have emoluments in excess of £60,000.

LUTON COMMUNITY ARTS TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021**

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 April 2020 and 31 March 2021	101,252
DEPRECIATION	
At 1 April 2020	98,863
Charge for year	547
At 31 March 2021	99,410
NET BOOK VALUE	
At 31 March 2021	1,842
At 31 March 2020	2,389

10. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2020 and 31 March 2021	100
NET BOOK VALUE	
At 31 March 2021	100
At 31 March 2020	100

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

33 RPM Limited

Registered office: 260 - 270 Butterfield, Great Marlings, Luton, LU2 8DL

Nature of business: Trading subsidiary of the Charity

Class of share:	%
Ordinary	holding 100

	2021	2020
	£	£
Aggregate capital and reserves	15,614	14,506
Profit/(loss) for the year	1,108	(454)

LUTON COMMUNITY ARTS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Amounts owed by group undertakings	3,119	2,456
VAT	795	716
Prepayments	411	328
	<u>4,325</u>	<u>3,500</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	64	129
Other creditors	584	559
Accruals and deferred income	3,050	3,550
	<u>3,698</u>	<u>4,238</u>

13. MOVEMENT IN FUNDS

	At 1.4.20	Net movement	Transfers	At
	£	in funds	between	31.3.21
		£	funds	£
Unrestricted funds				
General fund	71,730	(33,770)	(2,389)	35,571
Contingency fund	30,747	-	-	30,747
	<u>102,477</u>	<u>(33,770)</u>	<u>(2,389)</u>	<u>66,318</u>
Restricted funds				
SNAP	-	(547)	2,389	1,842
	<u>102,477</u>	<u>(34,317)</u>	<u>-</u>	<u>68,160</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	10,020	(43,790)	(33,770)
Restricted funds			
SNAP	-	(547)	(547)
	<u>10,020</u>	<u>(44,337)</u>	<u>(34,317)</u>

LUTON COMMUNITY ARTS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	44,979	44,341	(17,590)	71,730
Contingency fund	30,747	-	-	30,747
	<u>75,726</u>	<u>44,341</u>	<u>(17,590)</u>	<u>102,477</u>
Restricted funds				
SNAP	19,352	(36,942)	17,590	-
	<u>19,352</u>	<u>(36,942)</u>	<u>17,590</u>	<u>-</u>
TOTAL FUNDS	<u>95,078</u>	<u>7,399</u>	<u>-</u>	<u>102,477</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	55,257	(10,916)	44,341
Restricted funds			
SNAP	-	(36,942)	(36,942)
	<u>-</u>	<u>(36,942)</u>	<u>(36,942)</u>
TOTAL FUNDS	<u>55,257</u>	<u>(47,858)</u>	<u>7,399</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	44,979	10,571	(19,979)	35,571
Contingency fund	30,747	-	-	30,747
	<u>75,726</u>	<u>10,571</u>	<u>(19,979)</u>	<u>66,318</u>
Restricted funds				
SNAP	19,352	(37,489)	19,979	1,842
	<u>19,352</u>	<u>(37,489)</u>	<u>19,979</u>	<u>1,842</u>
TOTAL FUNDS	<u>95,078</u>	<u>(26,918)</u>	<u>-</u>	<u>68,160</u>

LUTON COMMUNITY ARTS TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	65,277	(54,706)	10,571
Restricted funds			
SNAP	-	(37,489)	(37,489)
TOTAL FUNDS	<u>65,277</u>	<u>(92,195)</u>	<u>(26,918)</u>

The restricted funds are relating to the Social Needs Awareness Project (SNAP).

The unrestricted funds are available for charitable activities at the Trustees discretion, in accordance with the objects of the charity.

The contingency fund is intended to build up a reserve sufficient to enable the charity to wind down effectively should a future reduction in funding leave it unsustainable to continue to operate.

Transfers between funds

During the year ended 31 March 2021, £2,389 (2020: £17,590) was transferred from the general fund to the SNAP restricted fund to cover for the surplus of expenditure in the period.

14. RELATED PARTY DISCLOSURES

At the year end the charity was owed £3,119 from 33 RPM Limited (2020: £2,456), a wholly owned subsidiary. There is no formal repayment plan or any interest accruing on the outstanding balance.