

The Registered Company Number is:- 04494523

The Charity Registration Number is :- 1094747

Cape Farewell (Ocean)

Report and Accounts

31 March 2017

Cape Farewell (Ocean)

Report and accounts

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CAPE FAREWELL (OCEAN)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

The Trustees present their Report and Accounts for the year ended 31 March 2017, which also comprises the Directors' Report required by the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).'

Reference and administrative details

The legal name of the charity is :-Cape Farewell

The charity is also known by its operating name, Cape Farewell (Ocean)

The charity's areas of operation and UK charitable registration.

The charity is registered in England & Wales with charity number 1094747

Legal structure of the charity

The charity is constituted as a company limited by guarantee, registered under the Companies Acts and the governing document is a Memorandum and Articles of Association under company legislation.

By operation of law all, trustees are directors under the Companies Act 2006 and all directors are trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

The trustees are all individuals.

The principal operating address, telephone number and email and web addresses of the charity are:-

Little Keep
Boundary Road , Dorchester
Dorset DT1 1SQ

The Trustees in office on the date the report was approved were:-

Simon Boxall	
Hugo Stewart	Appointed 18th September 2017
Professor Wendy Holloway	Appointed 18th September 2017

The Trustees in office during the year were:-

The trustees who served as a trustee in the reporting period, and, if applicable, their dates of appointment or resignation during the year.

Name	Appointed
Fiona Morris	Resigned 18th September 2017
Simon Reddy	Resigned 18th September 2017
Andrew Anthony MacMillan	Resigned 18th September 2017
Heidi Hackemann	Resigned 18th September 2017

All the trustees are also members of the charity.

CAPE FAREWELL (OCEAN)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Objects and activities of the charity

The purposes of the charity as set out in its governing document.

Cape Farewell pioneers a cultural response to the global climate challenge. We collaborate with a wide range of artists and scientists to produce a vital paradigm shift within our perception of environmental responsibility, catalysing the fertile possibilities of social change.

By embedding artists with scientists in fragile and inspiring environments, Cape Farewell stimulates the production of personal and emotively charged creative responses, provoking and inspiring audiences to reconsider their own behaviours and relationships with the environment.

Working in partnership with cultural institutions we deliver an innovative programme of public engagement, disseminating artworks to the frontiers of environmental science.

Exhibition, festivals, symposia, print publications, digital media, TV/radio, and film demonstrate the range of methods we have developed engaging diverse and wide-ranged audiences, as the climate agenda continues to evolve.

We deliver through an innovative programme of three independent strands, exploration, art creation, and public engagement.

The main activities undertaken in relation to those purposes during the year.

Cape Farewell commenced the financial year 2016/17 with two new Arts Council grants in place, plus a grant from the USA Compton Foundation. The Nevada Museum of Art commissioned Cape Farewell archive. Our reserves were as reported in the 2015/16 accounts.

Cape Farewell's headquarters continued at the University of the Arts, Chelsea, with a team of three staff: David Buckland as International Director, Lucy Wood as Director UK and Olivia Gray as Project Manager. Richard Slack continued as finance director on one day per week.

Three main projects were committed for delivery in 2016/17 to fulfil the Arts Council grants: the Lovelock Art Commission in partnership with Manchester's Museum of Science and Technology; Energy Renaissance in partnership with Somerset House and FarmArt in partnership with the Arts Development Company in Dorchester.

The directors and Board projected in April 2016 that Cape Farewell needed additional funding in excess of £160k to deliver its programme and maintain the office. Fundraising was a key activity of the Cape Farewell UK Director.

The Nevada Museum of Art grant for the transfer of the Cape Farewell archive was contracted over a three-year period. The initial payment of \$40,000.00 was received in March 2016 and ring fenced so that David Buckland, International Director, could deliver the first year's work in transferring the archive.

The artist Vanessa Reid was contracted to deliver the FarmArt artwork, to be presented in Bristol in June 2016. The artist constructed a studio in the dock area of central Bristol, which she inhabited with two cows for six days, sleeping and living with the cows. The event was very well attended and gained significant media attention: a major success.

For the Lovelock Arts Commission the Artists HeHe proposed three artworks to be shown in three separate locations in the Manchester Museum of Science and Industry as part of Manchester Science Festival. These were delivered successfully in October 2016 to open the festival. Cape Farewell was awarded an additional grant by NERC of £40,000.00 to deliver the Lovelock Art Commission.

CAPE FAREWELL (OCEAN)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Projected accounts presented to the board in July 2016 by Director Lucy Wood placed Cape Farewell in a solvent position by March 2017 but without reserves. The Board instructed Buckland and Wood to commission an independent financial analysis to review the projected accounts and present them to the board by the beginning of August. This was done and Hakim Oreagba, financial director of Siobhan Davies Dance produced a new set of accounts which projected that unless new funding came on stream by the 1st November 2016 the Cape Farewell foundation would not be solvent by March 2017, once liabilities of employment and running costs were taken into account.

By 1st November the Board decided no course of action was possible other than closing the Chelsea based office and making redundant all employees. The final Arts Council grant to deliver Energy Renaissance would therefore be delivered on a commissioned bases and David Buckland, who had initiated the Energy Renaissance programme, was contracted to deliver the programme, which took place at Somerset House in January 2017.

Board Chair Andrew McMillan took control of running the Cape Farewell charity until its proposed closure in March 2017 after the accounts for 2015/16 had been presented and the Energy Renaissance programme delivered. The Archive would continue to be delivered by Buckland and he was requested to set up a Cape Farewell Community Interest Company to maintain the archive transfer over the full three years.

The Energy Renaissance programme was delivered in partnership with Somerset House, Kings College and Shrinking Space. Nine new artworks were commissioned. Jarvis Cocker performed a bicycled-powered DJ set overlooking Waterloo Bridge and Kings College manned air pollution stations across London as part of the programme. The event attracted a large crowd and significant media interest and was broadcast live on the internet.

The full reports we submitted to the Arts Council by Buckland and McMillan, the accounts for 2015/16 were submitted in March 2017 at which point Cape Farewell was financially solvent.

The Board, in partnership with David Buckland, agreed in March 2017 that he should try to keep the charity running and relocate it to Dorset with a new Board in place.

During 2016/17 Cape Farewell maintained a high international profile and continued through various talks, media and film to foreground climate change as a cultural responsibility and challenge. The arts programme continued to commission and deliver artworks of the highest calibre that aligned in some form to the climate challenge. 'Climate is Culture' is now widely recognised as a necessary approach in addressing the climate challenge worldwide.

Cape Farewell is now established in its new office at Little Keep, Dorchester, an Arts community hub run by the Arts Development Company. It continues with its international work and is developing a new UK-based programme of work

The main activities undertaken during the year to further the charity's purpose for the public benefit.

The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity. The Trustees are confident that the activities above constitute a public benefit

The difference the charity's performance during the year has made to the beneficiaries of the charity.

This is outlined in the sections above

The degree to which the achievements and performance during the year have benefited wider society.

These are outlined above

Financial review

The charity's financial position at the end of the year ended 31 March 2017

The financial position of the charity at 31 March 2017 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

CAPE FAREWELL (OCEAN)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	£	£
Net expenditure	(63,188)	(19,723)
Unrestricted Revenue Funds available for the general purposes of the charity	17,062	36,716
Restricted Revenue Funds	-	43,534
Total Funds	17,062	80,250

Financial review of the position at the reporting date, 31 March 2017 .

The figures reflect the difficult year that the charity has experienced in raising funds to sustain its activities in the current climate for funding. The Unrestricted reserve of £17,062 does not represent an adequate basis for going forward in the way the charity has in the past . In the light of this on 18th September 2017 the trustees decided, to restructures the activities of the charity going forward on a much smaller scale with minimal overheads

Policies on reserves.

The Trustees consider the unrestricted reserve of £17,062 adequate for the reduced level of activity now planned

Going Concern

As stated above, the trustees regard the charity as a going concern as it has no staffing or other overheads and projects will only be undertaken when funding is secured for them

Availability and adequacy of assets of each of the funds

The Charity believes that the funds it holds will be adequate

CAPE FAREWELL (OCEAN)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

Structure, governance and management of the charity

The methods used to recruit and appoint new charity trustees

The Board of Trustees administer the charity meeting quarterly at least throughout the year.

Suitable candidates are selected from time to time when the need requires and suitable persons present themselves. Appointments are made by the board as a whole who also collectively decide when directors should offer themselves for retirement and re-election.

Bankers Co-operative Bank plc, P.O. Box 101 1 Balloon Street, Manchester, M60 4EP

Bankers CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

Details of The Independent Examiner

HE Jones BA (Hons) FCCA

Member of Chartered Certified Accountant

Edwards and Keeping

Unity Chambers 34 High Street East

Dorchester

Dorset

DT1 1HA

Statement of Directors' and Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP 2015.

In particular, the Companies Act 2006 and charity law require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and

CAPE FAREWELL (OCEAN)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- state whether applicable accounting standards and statements of recommended practice have been followed , subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that , on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

Method of preparation of accounts - Small company provisions

The financial statements are set out on pages 8 to 23

The financial statements have been prepared implementing the Statement of Recommended Practice for Accounting and Reporting by Charities 2015 and in accordance with the FRS102 SORP 2015.

These accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board of trustees on 11/12/17

.....
Simon Boxall
Director and Trustee

CAPE FAREWELL (OCEAN)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CAPE FAREWELL FOR THE YEAR ENDED 31 MARCH 2017

I report on the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2017.

Responsibilities and basis of report

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

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

Independent Examiners' Statement

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

- 1 accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts 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 accounts 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 (FRS102)).

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


.....
HE Jones BA (Hons) FCCA - Independent Examiner

Date *17 December 2017*
.....

Chartered Certified Accountant
Edwards and Keeping
Unity Chambers 34 High Street East
Dorchester
Dorset
DT1 1HA

Cape Farewell (Ocean) - Statement of Financial Activities for the year ended 31 March 2017

Statement of Financial Activities for the year ended 31 March 2017

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2017 £	2017 £	2017 £	2016 £
Income & Endowments from:					
Donations & Legacies	A1	454		454	42,302
Charitable activities	A2	-	104,227	104,227	130,039
Other trading activities	A3	1,356	-	1,356	37,187
Investments	A4	67	-	67	109
Total income	A	1,877	104,227	106,104	209,637
Expenditure on:					
Raising funds	B1	1,491	-	1,491	1,245
Charitable activities	B2	20,040	147,761	167,801	228,115
Total expenditure	B	21,531	147,961	169,292	229,360
Net movement in funds		(19,654)	(43,534)	(63,188)	(19,723)
Reconciliation of funds:-					
Total funds brought forward		36,716	43,534	80,250	99,973
Total funds carried forward		17,062	-	17,062	80,250

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All activities derive from continuing operations

The notes attached on pages 17 to 23 form an integral part of these accounts

Cape Farewell (Ocean) - Statement of Financial Activities for the year ended 31 March 2017

Cape Farewell - Analysis of prior year total funds, as required by paragraph 4.2 of the SORP

	SORP Ref	Prior Year Unrestricted Funds 2016 £	Prior Year Restricted Funds 2016 £	Prior Year Total Funds 2016 £
Income & Endowments from:				
Donations & Legacies	A1	42,302	-	42,302
Charitable activities	A2		130,039	130,039
Other trading activities	A3	37,187		37,187
Investments	A4	109	-	109
Other	A5	-	-	-
		-		
Total income	A	<u>79,598</u>	<u>130,039</u>	<u>209,637</u>
Expenditure on:				
Raising funds	B1	1,245		1,245
Charitable activities	B2	75,764	152,351	228,115
Total expenditure	B	<u>77,009</u>	<u>152,351</u>	<u>229,360</u>
Net movement in funds		<u>2,589</u>	<u>(22,312)</u>	<u>(19,723)</u>
Reconciliation of funds:-	E			
Total funds brought forward		34,127	65,846	99,973
Total funds carried forward		<u>36,716</u>	<u>43,534</u>	<u>80,250</u>

All activities derive from continuing operations

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

The notes attached on pages 17 to 23 form an integral part of these accounts

Cape Farewell (Ocean) - Statement of Financial Activities for the year ended 31 March 2017

Cape Farewell - Resources applied in the year ended 31 March 2017 towards fixed assets for Charity use:-

	2017	2016
	£	£
Funds generated in the year as detailed in the SOFA	(63,188)	(19,723)
Resources applied on functional fixed assets	-	-
Net resources available to fund charitable activities	<u>(63,188)</u>	<u>(19,723)</u>

The notes attached on pages 17 to 23 form an integral part of these accounts

Cape Farewell (Ocean) - Statement of Financial Activities for the year ended 31 March 2017

Movements in revenue and capital funds for the year ended 31 March 2017

Revenue accumulated funds

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Last year Total Funds 2016 £
Accumulated funds brought forward	36,716	43,534	80,250	99,973
Recognised gains and losses before transfers	(19,654)	(43,534)	(63,188)	(19,723)
	17,062	-	17,062	80,250
Closing revenue funds	17,062	-	17,062	80,250

Cape Farewell (Ocean)

Detailed analysis of income and expenditure for the year ended 31 March 2017 as required by the SORP 2015

This analysis is classified by conventional nominal descriptions and not by activity.

1 Donations and Legacies

	Current year Unrestricted Funds 2017 £	Current year Restricted Funds 2017 £	Current year Total Funds 2017 £	Prior Year Total Funds 2016 £
Donations and gifts from individuals				
Small donations individually less than £1000	454	-	454	247
Michael Wilson	-	-	-	25,000
Tidal Lagoon Power	-	-	-	10,907
Trondheim	-	-	-	6,148
Total donations and gifts from individuals	454	-	454	42,302
Total Donations and Legacies A1	454	-	454	42,302

2 Charitable income from funders

	Current year Unrestricted Funds 2017 £	Current year Restricted Funds 2017 £	Current year Total Funds 2017 £	Prior Year Total Funds 2016 £
Contractual payments from public bodies to fund charitable activities				
Arts Council England	-	30,000	30,000	44,080
Compton Foundation	-	34,227	34,227	33,159
West Dorset District Council	-	-	-	22,800
Peoples Postcode	-	-	-	15,000
Good Energy	-	-	-	15,000
Lovelock	-	40,000	40,000	-
Total contractual payments from public bodies	-	104,227	104,227	130,039
Total Charitable income from funders	-	104,227	104,227	130,039

3 Total Income from charitable activities

	Current year Unrestricted Funds £ 2017	Current year Restricted Funds £ 2017	Current year Total Funds £ 2017	Prior Year Total Funds £ 2016
Total Charitable income from funders	-	104,227	104,227	130,039
Total from charitable activities A2	-	104,227	104,227	130,039

Cape Farewell (Ocean)

Detailed analysis of income and expenditure for the year ended 31 March 2017 as required by the SORP 2015

4 Income from other, non charitable, trading activities

		2017 Current year Unrestricted Funds	2017 Current year Restricted Funds	2017 Current year Total Funds	2016 Prior Year Total Funds
		2017 £	2017 £	2017 £	2016 £
Consultancy		1,336	-	1,336	37,187
Other		20	-	20	-
Total from other activities	A3	1,356	-	1,356	37,187

5 Investment income

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2017 £	2017 £	2017 £	2016 £
Bank Interest Receivable		67	-	67	109
Total investment income	A4	67	-	67	109

6 Expenditure on charitable activities - Direct spending

		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2017 £	2017 £	2017 £	2016 £
Professional Fees (non artist)		-	-	-	9,778
Fees		900	14,660	15,560	33,249
Travel and Accommodation		223	5,011	5,234	7,223
Transport and Postage			15	15	1,250
Events			36,268	36,268	15,234
website				-	13,193
Production, Licence and Copyright fees				-	10,555
sundry			1,721	1,721	222
Total direct spending	B2a	1,123	57,675	58,798	90,704

Cape Farewell (Ocean)

Detailed analysis of income and expenditure for the year ended 31 March 2017 as required by the SORP 2015

7 Support costs for charitable activities

	Current year Unrestricted Funds 2017 £	Current year Restricted Funds 2017 £	Current year Total Funds 2017 £	Prior Year Total Funds 2016 £
Employee costs not included in direct costs				
Salaries - Administrative staff	3,122	74,655	77,777	89,838
Defined contribution pension cost - administrative staff	9	270	279	-
Employers' NI - Administrative staff	1,007	3,000	4,007	7,569
Payroll fees and charges	132	800	932	-
Travel and subsistence - staff	-	1,053	1,053	466
Fees	1,275	-	1,275	10,483
Premises Expenses				
Rent payable under operating leases	274	3,200	3,474	10,000
Administrative overheads				
Postage	-	185	185	373
Software licences and expenses	340	740	1,080	1,627
Liability and contents insurance	585	585	1,170	2,645
Sundry expenses	-	2,452	2,452	2,190
Pension creditor written back	(138)	-	(138)	-
Loss on disposal of fixed assets	201	201	402	-
Non recoverable VAT	-	3,731	3,731	2,400
Cash balances written off	1,031	-	1,031	-
Professional fees paid to advisors other than the auditor or examiner				
Other legal and professional	900	-	900	587
Bad Debts	1,800	-	1,800	-
Financial costs				
Bank charges	409	409	818	34
Depreciation & Amortisation in total for	200	-	200	200
Governance costs				
Independent Examiners fees	3,000	-	3,000	3,250
Accounting fees	4,770	-	4,770	5,748
Support costs before reallocation	18,917	90,086	109,003	137,411
Total support costs	18,917	90,086	109,003	137,411

The basis of allocation of costs between activities is described under accounting policies

Cape Farewell (Ocean)

Detailed analysis of income and expenditure for the year ended 31 March 2017 as required by the SORP 2015

9 Total Charitable expenditure

		Current year Unrestricted Funds 2017 £	Current year Restricted Funds 2017 £	Current year Total Funds 2017 £	Prior Year Total Funds 2016 £
Total direct spending	B2a	1,123	57,675	58,798	90,704
Total support costs	B2d	18,917	90,086	109,003	137,411
<i>Total charitable expenditure</i>	B2	<u>20,040</u>	<u>147,761</u>	<u>167,801</u>	<u>228,115</u>

10 Expenditure on raising funds and costs of investment management

		Current year Unrestricted Funds 2017 £	Current year Restricted Funds 2017 £	Current year Total Funds 2017 £	Prior Year Total Funds 2016 £
Cost of fundraising activities		1,491	-	1,491	1,245
Total fundraising costs	B1	<u>1,491</u>	<u>-</u>	<u>1,491</u>	<u>1,245</u>

Cape Farewell (Ocean)- Balance Sheet as at 31 March 2017

	SORP		2017	2016
	Note	Ref	£	£
Fixed assets		A		
Tangible assets	20	A2	-	401
Current assets		B		
Debtors	21	B2	8,063	1,359
Cash at bank and in hand		B4	13,603	88,227
Total current assets			<u>21,666</u>	<u>89,586</u>
Creditors: amounts falling due within one year	22	C1	<u>(4,604)</u>	<u>(9,737)</u>
Net current assets			17,062	79,849
The total net assets of the charity			<u>17,062</u>	<u>80,250</u>

The total net assets of the charity are funded by the funds of the charity as follows:

Restricted funds			-	43,534
Unrestricted Funds				
Unrestricted Revenue Funds	25	D3	17,062	36,716
Designated Funds				
Total charity funds			<u>17,062</u>	<u>80,250</u>

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..


The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

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

The charity is subject to Independent Examination under charity legislation, and the report of the examiner is on page 8.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.


 Simon Boxall
 Trustee

Approved by the board of trustees on 11/12/17

The notes attached on pages 17 to 23 form an integral part of these accounts

Cape Farewell (Ocean)

Notes to the Accounts for the year ended 31 March 2017

11 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102 (effective January 2015) and 'The FRS 102 Statement of Recommended Accounting Practice 2015', (The SORP 2015), and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP 2015 in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Risks and future assumptions

The Charity believes itself to be an entity providing public benefit

Policies relating to categories of income and income recognition.

Nature of income

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Categories of Income

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

Income from exchange transactions is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

Income from a non-exchange transaction is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

Income recognition

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Accounting for deferred income and income received in advance

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition, or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned, and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

Cape Farewell (Ocean)

Notes to the Accounts for the year ended 31 March 2017

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

Income from legacies

Income from legacies is recognised when the charity has sufficient evidence that a gift has been left to them, that where required, probate has been granted, the executor is satisfied that the property in question will not be required to satisfy claims in the estate, that it is probable that the amount will be received by the charity, and the amount to be received can be estimated with sufficient accuracy, and that any conditions attached to the legacy are either within the control of the charity or have been met.

Where a payment is received from an estate or is notified as receivable by the executors after the reporting date and before the accounts are authorised for issue but it is clear that the payment had been agreed by the executors prior to the end of the reporting period, then the amount concerned is treated as an adjusting event and accrued as income in the accounting period if receipt is probable.

Where the charity has established entitlement to a legacy but there is uncertainty as to the amount of the payment, details of the legacy are disclosed as a contingent asset until the criteria for income recognition are met. Where a legacy is subject to the interest of a life tenant, the legacy is not recognised as income until the death of the life tenant.

If it is doubtful that full settlement of a legacy debtor will be received, then an adjustment is made to reduce the amount of the legacy debtor and legacy income rather than charging the adjustment as expenditure in the Statement of Financial Activities

Donated goods, facilities and services

Donated fixed assets are recognised at the current fair value. All such donations are recognised as donation income, and debited to fixed assets.

Donated goods that are not fixed assets are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

In the absence of any direct evidence of fair value of donated goods, then a value is derived from the cost of the item to the donor or, in the case of goods that are expected to be sold, the estimated resale value after deducting any anticipated costs of sales.

If it is impracticable to measure the fair value of goods donated for resale, or the costs of valuation outweigh the benefits, the donated goods are recognised as income when sold, with an equivalent amount being recognised as an expense.

The costs of goods donated for distribution to beneficiaries is deemed to be the fair value of those goods upon receipt. When the goods are distributed freely or for a nominal consideration, then the carrying amount is adjusted at the time of sale, to the value at the point of distribution and the adjustment is shown as a cost of donations made.

The carrying amount of any stock held for distribution is assessed for impairment at the reporting date. All donated goods are recognised as donation income, and debited to trading stock. When trading stock is subsequently sold, or appropriated to meet an expense, then the carrying value of the stock is recognised as an expense. In accordance with the SORP, goods donated for distribution to beneficiaries, or for consumption by the charity are included in '*legacies and donations*'. Goods donated for resale are included in '*Income from other trading activities*'.

Donated services and facilities (including seconded staff and use of property) are included in the accounts on the basis of the value of the gift to the charity.

All donated services and facilities are recognised as donation income when received, (provided the value of the gift can be measured reliably) and recognised as an expense with an equivalent value.

Membership subscriptions

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

Recognition of liabilities and expenditure

Cape Farewell (Ocean)

Notes to the Accounts for the year ended 31 March 2017

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

Staffing - on the basis of time spent in connection with any particular activity.

Staffing - on a per capita basis, based on the number of people employed within any particular activity.

Premises related costs - on the proportion of floor area occupied by a particular activity.

Non specific support costs - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

Estimation techniques used in apportioning costs - give details

Volunteers

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note 16.

Fixed Asset Investments

Fixed asset investments in quoted shares, traded bonds, investment properties and similar investments are shown initially at cost upon acquisition and at their market value at the balance sheet date at the end of the financial period. Investment properties are not depreciated.

Fixed asset investments in unlisted equities are shown at the balance sheet date at the best estimate of their market value, where practicable. Where valuation techniques are considered unreliable or where, in the opinion of the trustees, the costs outweigh the benefits to the users of the accounts, the investment is included at cost, and a review is undertaken at each year end as to whether the asset should be written down.

All gains on fixed asset investments, whether realised or unrealised, are included in row B4 of the Statement of Financial Activities.

Social Investments

Any realised gains or losses on any programme related investment assets are included in row A5 of the Statement of Financial Activities (The SOFA). All gains on other social investments, whether realised or unrealised, are included in row B4 of the Statement of Financial Activities.

Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Audio-Visual Equipment	50 % straight line
Website	33.3 % straight line
Fixtures Fittings and Equipment	25 % reducing balance

Cape Farewell (Ocean)

Notes to the Accounts for the year ended 31 March 2017

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Creditors and provisions

Creditors and provisions are recognised at their payable amount at balance sheet date

Cash and Bank Balances

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

Pensions - defined contribution schemes

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

12 Liability to taxation

As a registered charity, the organisation is exempt from income and corporation tax to the extent that its income and gains are applied towards the charitable objects of the charity and for no other purpose. Value Added Tax is not partially recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

13 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

15 Net (deficit)/surplus before tax in the financial year

	2017	2016
	£	£
The net (deficit)/surplus before tax in the financial year is stated after charging		
Depreciation of owned fixed assets	200	200
Pension costs	279	-
Auditors' remuneration	3,000	3,250

16 The contribution of volunteers

The charity makes limited but valued use of volunteers

17 Staff costs and emoluments

<i>Salary costs</i>	2017	2016
	£	£
Gross Salaries excluding trustees and key management personnel	77,777	89,838
Employer's National Insurance for all staff	4,007	7,569
Employer's operating costs of defined contribution pension schemes	279	-
Trustees remuneration	-	-
Total salaries, wages and related costs	82,063	97,407

<i>Numbers of full time employees or full time equivalents</i>	2017	2016
The average number of total staff employed in the year was	3	3
The average number of part time staff employed in the year was	-	-

Cape Farewell (Ocean)

Notes to the Accounts for the year ended 31 March 2017

The average number of full time staff employed in the year was	3	3
The estimated full time equivalent number of all staff employed in the year was	3	3

The estimated equivalent number of full time staff deployed in different activities in the year was:-

Engaged on charitable activities	3	3
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<i>The estimated full time equivalent number of all staff employed as above</i>	<u>3</u>	<u>3</u>
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Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

18 Defined contribution pension schemes

Any liabilities and assets associated with the scheme are shown under debtors and creditors.

19 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

20 Tangible fixed assets

	Audio Visual Equipment £	Website £	Fixtures/Fit tings Equipment £	Total £
Cost				
At 1 April 2016	14,066	11,250	16,115	41,431
Disposals	(14,066)		(16,115)	(30,181)
At 31 March 2017	<u>-</u>	<u>11,250</u>	<u>-</u>	<u>11,250</u>
Depreciation				
At 1 April 2016	14,066	11,250	15,714	41,030
Charge for the year	-	-	200	200
On disposals	(14,066)	-	(15,914)	(29,980)
On Disposals				
At 31 March 2017	<u>-</u>	<u>11,250</u>	<u>-</u>	<u>11,250</u>
Net book value				
At 31 March 2017	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2016	<u>-</u>	<u>-</u>	<u>401</u>	<u>401</u>

21 Debtors

	2017 £	2016 £
Prepayments and accrued income	6,000	-
Other debtors	2,063	1,359
	<u>8,063</u>	<u>1,359</u>

22 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	339	3,658
Accruals	3,900	3,250
PAYE, NIC VAT and other taxes	365	2,829
	<u>4,604</u>	<u>9,737</u>

Cape Farewell (Ocean)

Notes to the Accounts for the year ended 31 March 2017

23 Income and Expenditure account summary	2017 £	2016 £
At 1 April 2016	80,250	99,973
Loss for the year	(63,188)	(19,723)
At 31 March 2017	<u>17,062</u>	<u>80,250</u>

24 Particulars of how particular funds are represented by assets and liabilities

<i>At 31 March 2017</i>	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Current Assets	21,666	-	-	21,666
Current Liabilities	(4,604)	-	-	(4,604)
	<u>17,062</u>	<u>-</u>	<u>-</u>	<u>17,062</u>
<i>At 1 April 2016</i>	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	401	-	-	401
Investments at valuation:-				
Current Assets	46,052	-	43,534	89,586
Current Liabilities	(9,737)	-	-	(9,737)
	<u>36,116</u>	<u>-</u>	<u>43,534</u>	<u>80,250</u>

25 Change in total funds over the year as shown in Note 24 , analysed by individual funds

	Funds brought forward from 2016 £	Movement in funds in 2017 £	Transfers between funds in 2017 £	Funds carried forward to 2018 £
<i>Unrestricted and designated funds:-</i>		See Note 26		
Unrestricted revenue funds	36,716	(19,654)	-	17,062
Total unrestricted and designated funds	<u>36,716</u>	<u>(19,654)</u>	<u>-</u>	<u>17,062</u>
<i>Restricted funds:-</i>				
Lovelock	30,000	(30,000)	-	-
Dorset Arts Development	13,534	(13,534)	-	-
Total restricted funds	<u>43,534</u>	<u>(43,534)</u>	<u>-</u>	<u>-</u>
Total charity funds	<u>80,250</u>	<u>(63,188)</u>	<u>-</u>	<u>17,062</u>

Cape Farewell (Ocean)

Notes to the Accounts for the year ended 31 March 2017

26 Analysis of movements in funds over the year as shown in Note 25

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2017	2017	2017	2017
	£	£	£	£
Unrestricted and designated funds:-				
Unrestricted revenue funds	1,877	(21,531)	-	(19,654)
Restricted funds:-				
Arts Council fund	30,000	(30,000)	-	-
Lovelock	40,000	(70,000)	-	(30,000)
Dorset Arts Development	-	(13,534)	-	(13,534)
Compton	34,228	(34,227)	-	-
	106,105	(169,492)	-	(63,188)

27 The purposes for which the funds as detailed in note 25 are held by the charity

Unrestricted and designated funds:-

Unrestricted revenue funds

These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.

Restricted funds:-

Arts Council fund

Supports projects

Lovelock

Supports Art installation

Dorset Arts Development

Supports part of the FarmArt project

Compton

Supports funding of Archive Project for Cape Farewell

28 Ultimate controlling party

The charity is under the control of its legal members.

29 Transition to FRS102

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements for the year ended 31 March 2016 were prepared under previous UK GAAP and the transition date to FRS 102 is therefore 1 April 2015.

Adopting FRS 102 has meant that a number of accounting policies have changed to comply with the new standard, however no transition adjustments were necessary.