

WESTMINSTER ARTS

(Company limited by guarantee and without share capital)

TRUSTEES' REPORT

AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

COMPANY REGISTRATION NUMBER: 2748408

REGISTERED CHARITY NUMBER: 1025755

WESTMINSTER ARTS

LEGAL AND ADMINISTRATION INFORMATION

TRUSTEES (as at date of balance sheet)

Mr D Gee

Ms S Kaye resigned 9th June 2016

Ms J Sweeting (Chair)

Mr D Hamilton-Peters resigned 28th March 2017

Mr D De Prez

Mr Bhev Chandrasena (Treasurer) resigned 28th March 2017

Ms N Shakerley

Ms S Mauger resigned 9th June 2016

Ms A Young

Mr K Sheehan appointed 10th November 2016

REGISTERED OFFICE

12 Carlton House Terrace
London SW1Y 5AH

INDEPENDENT EXAMINER

Peter Torino
Aims Accountants for Business
Chartered Accountant
25 Leith Mansions
Grantully Road
London W9 1LQ

BANKERS

Unity Trust Bank PLC
Nine Brindley Place
Birmingham B1 2HB

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WESTMINSTER ARTS

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TRUSTEES' ANNUAL REPORT

TRUSTEES

The directors of the company (referred to as Trustees) who have served during the year are as follows:

J Sweeting (Chair from 1st April 2014)

S Mauger (Vice-Chair from 17th June 2014, resigned 9th June 2016)

S Kaye (resigned 9th June 2016)

D De Prez

D Gee

D Hamilton-Peters (resigned 28th March 2017)

B Chandrasena (elected 10th March 2016, resigned 28th March 2017)

N Shakerley

A Young

Mr K Sheehan (appointed 10th November 2016)

The Trustees submit their annual report and the financial statements of Westminster Arts for the year ended 31 March 2017 which have been prepared under the Companies Act 2006.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the Trustees, as directors, to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charity and of the surplus or deficit for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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TRUSTEES' ANNUAL REPORT (Continued)

OBJECTS

Westminster Arts is a company limited by guarantee. Originally it was a non-incorporated association founded as the City of Westminster Arts Council in 1965. The company is governed by its Articles of Association: it is a charity registered with the Charity Commission, number 1025755 and as such is a non-profit making organisation.

The Trustees undertook a review of its governance and strategy following Westminster City Council's decision in 2013 to discontinue its core funding and also a small grants programme which the charity delivered on their behalf since the foundation of our organisation in 1965.

This prompted a critical revaluation of the charity's position and role and the Westminster Arts' role has been reframed to build on its key strengths and track record around the development of projects and services that utilise the arts as a means of improving the health, wellbeing and quality of life of those socially excluded groups and individuals.

The principle focus of work now currently is to support people living with dementia and their families, supported in the main by the Central London, West London and the Hammersmith and Fulham Clinical Commissioning Groups on a rolling contract. In response to the limitations of being able to provide services exclusively for beneficiaries that live, work or study in Westminster an EGM was held 26 March 2013, at which a special resolution was passed to amend the objects of Westminster Arts as follows:

"Westminster Arts is established to promote social inclusion with a particular focus on addressing the needs of those socially excluded by age, physical or mental disability (including dementia) through the development and delivery of arts based activities and experiences including but not limited to visual arts, photography, film, dance, music and drama."

This allowed the Charity to negotiate funding from the West London Clinical Commissioning Group providing for Kensington and Chelsea and the Hammersmith and Fulham Clinical Commissioning Group providing for that borough, and we were able to take on a new member of staff as Resonate Projects Co-ordinator and this year a Projects Assistant/Administrator, and we end the year successful in this area.

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TRUSTEES' ANNUAL REPORT (Continued)

TRUSTEES

The Trustees are responsible for providing overall policy direction, approval and oversight, to enable the programme-based and day-to-day planning, project creation, resourcing, execution and management of Westminster Arts activities by its staff. The Trustees are kept informed by staff and do not receive any remuneration for carrying out their responsibilities.

With effect from 26 June 2012, the members of Westminster Arts are persons (the Trustees) who support the Company's object and who have each guaranteed to contribute the sum of £1 in the event of the company being wound up.

In the year reported on the Trustees have:

- Fully met the delivery requirements and projects for its principle funders
- Created a number of new partners and projects across the three boroughs
- Attended an away day to continue its strategic review to support business planning and income generation
- Reviewed the operational and staffing structure, recruiting a new Projects Assistant/Administrator to assist the Projects Co-ordinator and Director
- Instigated some new Management Accounts practices
- Recognised the need to review the Charity's Reserve Policy in the light of the new members of staff
- Continue refining a fundraising plan and financial policy

RESERVES POLICY

Westminster Arts aims to maintain a consistent level of provision for arts activities. In some years this means it has to draw on its unrestricted funds while in others it may add to these funds. In the year under review unrestricted funds have increased by £25,205 so that the unrestricted funds at 31 March 2017 were £51,287 (2016: £26,082).

Unrestricted funds are in addition to restricted funds which decreased from £39,585 at 31 March 2016 to £15,526 at 31 March 2017.

CONTINUING OPERATIONS

As detailed in note 7 to the financial statements, the Company's future is dependent on identifying and securing new funding.

RISK REVIEW

The Trustees have conducted their own review of the major risks to which the charity is exposed and systems have been established to check and mitigate these risks. The significant external risk in regard to the receipt of income assessed in 2016-17 continues to be monitored through budgetary forecasting and financial reporting. The funding from City Bridge Trust ended in March 2017 and this core funding needs to be replaced; at the same time the funding from the Clinical Commissioning Groups is not guaranteed from one year to the next and may soon be subject to a tendering process.

Internal risks are minimised by the implementation of procedures for the approval and authorisation of transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

INDEPENDENT EXAMINER

Peter Torino, Chartered Accountant, of 25 Leith Mansions, Grantully Road, London, W9 1LQ has been appointed as Independent Examiner to the charity.

Signed on behalf of the board

J Sweeting

Approved by the Board on December 2017

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Independent examiner's report to the trustees of Westminster Arts.

I report on the accounts of the company for the year ended 31 March 2017 which are set out on pages 8 to 15.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- Examine the accounts under section 43 of the 1993 Act;
- To follow the procedures laid down in the general directions given by the Charity Commission under section 43(7)(b) of the 1993 act; and
- To state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those of the records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a true and fair view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination:

1) no matter has come to my attention which gives me reasonable cause to believe that in any material respect the requirements:

- To keep accounting records in accordance with the Companies Act 1985; and
 - To prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 1985 and with the methods and principles of the Statement of Recommended Practice: Accounting and reporting by Charities
- have not been met:

2) attention should be drawn to the financial uncertainty as detailed in note 7 in order to enable a proper understanding of the accounts to be reached. The future viability of activities is dependent on obtaining additional sources of income.

Peter Torino BSc ACA, 25 Leith Mansions, London W9 1LQ

Date

WESTMINSTER ARTS
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ACCOUNTING POLICIES

The principal accounting policies are:

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

CASH FLOW

The financial statements do not include a cash flow statement because the company, as a small company, is exempt from the requirement to provide such a statement under Financial Reporting Standards 1.

INCOMING RESOURCES

Restricted income is recognised on an accrual basis where it is clearly indicated that it relates to the financial period.

Interest receivable and subscriptions are accounted for on an accruals basis.

All other income is accounted for on a cash receipt basis.

ARTS ACTIVITIES

Grants are recognised as expenditure when committed by the Trustees. Amounts unpaid are included in creditors. If grants are unclaimed they are released as Reversion of awards for earlier years.

Expenditure on Arts projects is recognised as incurred and accrued if not paid.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets less their estimated residual value over their expected useful lives on the following basis:

Office equipment and furniture ó 25% reducing balance

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ACCOUNTING POLICIES (continued)

OTHER EXPENDITURE

Other expenditure is accounted for on an accruals basis.

OPERATING LEASES

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the income and expenditure account as incurred.

RESTRICTED AND UNRESTRICTED FUNDS

Where Westminster Arts receives monies from sources where there is a requirement for those monies to be applied towards a particular project then these are treated as restricted. Otherwise funds received from other sources which carry no such obligation are treated as unrestricted funds.

Funds which are wholly attributable to specific charitable projects are classified as restricted.

In addition the company incurs administrative costs to be able to run multiple charitable projects. Accordingly unless a fund received is specifically restricted to direct project costs the company will allocate a proportion of all funds to overhead costs as described in Note 2

The organisation receives funds from a variety of donors, some of which is restricted to particular projects

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2017

INCOMING RESOURCES	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
CLCCG (Westminster)	38,500	-	38,500	38,500
V & A	300		300	0
Hammersmith & Fulham CCG	8,500	667	9,167	10,833
WLCCG (Kensington & Chelsea)	9,000	1,000	10,000	10,000
City Bridge Trust		22,500	22,500	26,250
St James's Church				500
London Community Foundation		1,250	1,250	2,655
Bank interest				140
European Reminiscence Network				3,565
Gifts received *				100
KCSC Self care	598		598	0
Miscellaneous	400		400	0
TOTAL INCOMING RESOURCES	57,298	25,417	82,715	92,543
RESOURCES EXPENDED				
Charitable expenditure:				
Arts activities (Note 1)		49,476	49,476	50,284
Management and administration (Note 2)	32,093		32,093	26,504
TOTAL RESOURCES EXPENDED	32,093	49,476	81,569	76,788
 Net Movement in funds for the year	 25,205	 (24,059)	 1,146	 15,755
 TOTAL FUNDS AT 31 MARCH 2016	 26,082	 39,585	 65,667	 49,912
TOTAL FUNDS AT 31 MARCH 2017	51,287	15,526	66,813	£65,667

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

The notes on pages 13 to 15 form part of these financial statements.

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INCOME AND EXPENDITURE ACCOUNT
Year ended 31 March 2017

	2017 £	2016 £
Total income	82,715	92,543
Arts activities	(49,476)	(50,284)
	-----	-----
Administration costs	33,239 (32,093)	42,259 (26,504)
	-----	-----
Net surplus	<u>1,146</u>	<u>15,755</u>

None of the company's activities were acquired or discontinued during these two financial years. The company has no recognised gains or losses other than the surplus/deficit of income over expenditure in the current and previous year.

RECONCILIATION OF MOVEMENT IN TOTAL FUNDS

	2017 £	2016 £
Accumulated reserves at 1 April 2016	65,667	49,912
Net surplus for the year	1,146	15,755
	-----	-----
Accumulated funds at 31 March 2017	<u>66,813</u>	<u>65,667</u>
	=====	=====

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BALANCE SHEET AT 31 MARCH 2017

	2017	2016
	£	£
FIXED ASSETS		
Tangible fixed assets (Note 3)	730	973
	-----	-----
CURRENT ASSETS		
Debtors (Note 4)	13,792	7,500
Cash at bank and in hand	71,485	75,961
	-----	-----
	85,277	83,461
	-----	-----
CREDITORS: Amounts falling due within one year (Note 5)	19,194	18,767
TOTAL ASSETS AND NET CURRENT ASSETS	66,813	£65,667
	=====	=====
	2017	2016
	£	£
REPRESENTED BY FUNDS:		
Restricted funds	15,526	39,585
Unrestricted funds	51,287	26,082
	-----	-----
	66,813	£65,667
	=====	=====

The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

APPROVED BY THE TRUSTEES ON

SIGNED ON BEHALF OF THE TRUSTEES

J Sweeting
Director

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NOTES TO THE FINANCIAL STATEMENTS 2017

1. ARTS ACTIVITIES - Resonate

	2017	2016
	£	£
Direct costs	11,308	19,462
Salary costs	38,168	30,822
Total	<u>49,476</u>	<u>50,284</u>

2. MANAGEMENT AND ADMINISTRATION

	2017	2016
	£	£
Salaries and ER NI	57,028	47,269
Less allocated to Arts Activities (see note 2 a below)	<u>-38,169</u>	<u>-30,822</u>
	18,859	16,447
Office rent	7,987	4,326
General office costs	1,292	716
Travel & meetings	810	1,359
Independent Examiner's fee	980	980
Computer costs	613	1,029
Telephone	975	894
Insurance	280	267
Depreciation	243	486
Sundry Expenses	54	0
	<u>32,093</u>	<u>26,504</u>

2 (a) SALARY ALLOCATION

Staff remuneration has been allocated between project and administration costs on the basis of the relative time spent on the respective activities.

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NOTES TO THE FINANCIAL STATEMENTS 2017

3. FIXED ASSETS

COST	Office equipment & furniture £	
At 1 April 2016	8,987	
Additions	-----	
Cost at 31 March 2017	<u>8,987</u>	
DEPRECIATION		
At 1 April 2016	8,014	
Charge for the year	243	

At 31 March 2017	8,257	

Net book value at 31 March 2017	973	

Net book value at 31 March 2016	730	

4. DEBTORS

	2017 £	2016 £
Funds receivable	13,792	7,500
	=====	=====

5. CREDITORS

Amounts falling due within one year	2017 £	2016 £
Other creditors	13,917	13,950
Taxation and social security	4,297	3,837
Accrued expenses	980	980
	-----	-----
	19,194	18,767
	-----	-----

NOTES TO THE FINANCIAL STATEMENTS 2017

6. RELATED PARTY TRANSACTIONS

In general, the trustees receive no remuneration but certain modest out of pocket expenses are reimbursed.

During this particular year there were no related party transactions.

7. CONTINUING OPERATIONS

The company operated for many years with grant support from the City of Westminster. This type of grant has now ceased and been replaced by competitive commissioning funds.

Westminster Arts has been successful in securing a number of commissioned grants from the Clinical Commissioning Groups. The historic loss of our core funding meant that we had to substantially reduce our staffing structure, which we are now building up once more.

Our 52 year history of arts and community participation in Westminster has been a catalyst and essential support for many thousands of artists, community groups and creative projects benefiting several generations. Our projects transform lives, draw people out of isolation, launch careers and provide employment and volunteering opportunities. We have involved the community and local experts in every step of the way, ensuring the most vulnerable and disadvantaged people are not excluded.

We have developed a strong commitment to developing arts for the benefit of vulnerable and socially isolated older people. Resonate, our programme for people living with dementia has been funded by Clinical Commissioning Groups for eight consecutive years and we aim to continue to influence, shape and improve the culture of care and the quality of life for our elderly.

We have demonstrated that arts can be an essential contributor to wellbeing, and a channel for developing partnerships with our extensive network of organisations, service users, artists and community groups benefiting people of all ages.

The state of the company's affairs is very dependent on identifying and securing new sources of income from a range of sources. The Trustees are closely monitoring available resources to ensure continuing commitments can be met from the funds available.