

Sutton Coldfield Arts and Recreational Trust

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the period ended 30 April 2017.

Objectives and activities

Objects and aims

To further or benefit the residents of Sutton Coldfield, North Birmingham communities of Erdington, Stockland Green, Great Barr, and the neighbourhood, without distinction of sex, sexual orientation, race or political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of entertainment for recreation and leisure time occupation with the objective of improving the conditions of life and education through the arts of the residents.

In furtherance of these objects but not otherwise, the Trustees shall have power:-

To establish or secure the establishment of Sutton Coldfield Town Hall and to maintain or manage or co-operate with any statutory authority in the maintenance and management of this property as a centre for activities promoted by the Charity in furtherance of the above objects.

The Trustees anticipate that with its charitable status, strong volunteer network, and support of local businesses and other organisations, Sutton Town Hall will continue to provide a range of activities and services currently available and develop new ones.

SCART's mission is for people to have the ability to develop creative ideas and to partake in arts and recreational activities, by providing the facilities and opportunities to enable performance, education, group work and social events and in so doing preserve and protect a historic building at the heart of the Royal Town of Sutton Coldfield.

Develop a motivated and skilled staff team working with an additional team of volunteers to maximise revenue, improve efficiency and deliver more services and activities for less cost

Generate new income for the Town of Sutton Coldfield through increasing footfall through the Town Hall.

Help THT to build a "sinking fund" for the ongoing maintenance of the building through the payment of rent.

Work collaboratively with THT in staging a major appeal to raise £2 million to transform the building into a fit-for-purpose modern hub for theatre, music, arts.

Objectives, strategies and activities

Within this accounting period, Birmingham City Council agreed in principle to pass the freehold of Sutton Coldfield Town Hall to a new Trust, into which SCART would merge. To this end, BCC agreed to write off the loan and make it a grant dependent on it being spent to improve the building infrastructure. It is anticipated that SCART will be re-formed into the Royal Sutton Coldfield Town Hall Community Trust and receive the building freehold from Birmingham City Council during 2018.

The Trust gained new one new trustee in July 2017, Russell Ludlam, who was recruited after he approached the board and expressed an interest in joining it.

Within this accounting period, the post of Creative Director, acting as Chief Executive, had two incumbents. At the start the post was held by Frances Richmond, who was replaced by Deb Crump.

The Charity made a loss within the accounting period. This was due to having had to spend capital on office systems to put in place. During the period, new business has been gained, gathering new bookings, extending the diversity of the usage of the Town Hall which currently stands at a much higher rate of footfall which the Trustees recognise this trend will re-dress the current situation as the business moves forward. The Operations Director is of the view that the building has a higher rate of occupancy now than seen in the last ten years.

Public benefit

[Activities undertaken to further public benefit](#)

Sutton Coldfield Arts and Recreational Trust

Trustees' Report

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

Nature of governing document

The Trust is a Charitable Incorporated Association (CIO) registered with Charities Commission 23rd Feb 2016.

The annual report was approved by the trustees of the charity on and signed on its behalf by:

Charity registration number: 1165712

Sutton Coldfield Arts and Recreational Trust

known as

SCART

Annual Report and Financial Statements

for the period from 23 February 2016 to 30 April 2017

Bissell & Brown Ltd
Chartered Accountants
Charter House
56 High Street
Sutton Coldfield
B72 1UJ

Sutton Coldfield Arts and Recreational Trust

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Sutton Coldfield Arts and Recreational Trust

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the period ended 30 April 2017.

| | |
|------------------------------------|---|
| Trustees | K Boyd (appointed 23 February 2016) R Ludlam (appointed 6 June 2017) C Bridges (appointed 7 February 2018) M Parfect (appointed 23 February 2016 and resigned 31 January 2017) R Mason (appointed 23 February 2016) |
| Senior Management Team | F Richmond, Creative Director D Crump, Creative Director |
| Principal Office | Sutton Town Hall Upper Clifton Rd Sutton Coldfield B73 6AB |
| Charity Registration Number | 1165712 |
| Independent Examiner | Bissell & Brown Ltd Chartered Accountants Charter House 56 High Street Sutton Coldfield B72 1UJ |

Objectives and activities

Objects and aims

To further or benefit the residents of Sutton Coldfield, North Birmingham communities of Erdington, Stockland Green, Great Barr, and the neighbourhood, without distinction of sex, sexual orientation, race or political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of entertainment for recreation and leisure time occupation with the objective of improving the conditions of life and education through the arts of the residents.

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Sutton Coldfield Arts and Recreational Trust

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Public benefit

[Activities undertaken to further public benefit](#)

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Going concern

The accounts have been prepared on a going concern basis. The charity has a deficit of £21,540 at the balance sheet date, and this has continued to increase after the year end. The Trustees are reviewing ways to generate more income and anticipate a return to surplus over the coming years.

Sutton Coldfield Arts and Recreational Trust

Trustees' Report

Structure, governance and management

Nature of governing document

The Trust is a Charitable Incorporated Association (CIO) registered with Charities Commission 23rd Feb 2016.

The annual report was approved by the trustees of the charity on 13 June 2018 and signed on its behalf by:

.....
K Boyd
Trustee

.....
R Mason
Trustee

Sutton Coldfield Arts and Recreational Trust

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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.

Approved by the trustees of the charity on 13 June 2018 and signed on its behalf by:

.....
K Boyd
Trustee

.....
R Mason
Trustee

Sutton Coldfield Arts and Recreational Trust

Independent Examiner's Report to the trustees of Sutton Coldfield Arts and Recreational Trust

I report on the accounts of the charity for the year ended 30 April 2017 which are set out on pages 6 to 14.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 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 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 next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act 2011; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
John Taheny FCCA
Bissell & Brown Ltd
Chartered Accountants

Charter House
56 High Street
Sutton Coldfield
B72 1UJ

Date:.....

Sutton Coldfield Arts and Recreational Trust

Statement of Financial Activities for the Period from 23 February 2016 to 30 April 2017

| | Note | Unrestricted funds £ | Total 30 April 2017 £ |
|------------------------------------|------|----------------------------|-----------------------------|
| Income and Endowments from: | | | |
| Donations and legacies | | 1,500 | 1,500 |
| Charitable activities | | <u>113,455</u> | <u>113,455</u> |
| Total Income | | <u>114,955</u> | <u>114,955</u> |
| Expenditure on: | | | |
| Charitable activities | | <u>(136,495)</u> | <u>(136,495)</u> |
| Total Expenditure | | <u>(136,495)</u> | <u>(136,495)</u> |
| Net movement in funds | | <u>(21,540)</u> | <u>(21,540)</u> |
| Reconciliation of funds | | | |
| Total funds carried forward | 14 | <u><u>(21,540)</u></u> | <u><u>(21,540)</u></u> |

Sutton Coldfield Arts and Recreational Trust

(Registration number: 1165712)
Balance Sheet as at 30 April 2017

| | Note | 30 April 2017 £ |
|--|------|------------------------|
| Fixed assets | | |
| Tangible assets | 9 | 5,697 |
| Current assets | | |
| Stocks | 10 | 1,500 |
| Debtors | 11 | 22,466 |
| Cash at bank and in hand | | 140,977 |
| | | <u>164,943</u> |
| Creditors: Amounts falling due within one year | 12 | <u>(72,180)</u> |
| Net current assets | | <u>92,763</u> |
| Total assets less current liabilities | | 98,460 |
| Creditors: Amounts falling due after more than one year | 13 | <u>(120,000)</u> |
| Net liabilities | | <u><u>(21,540)</u></u> |
| Funds of the charity: | | |
| Unrestricted income funds | | |
| Unrestricted funds | | <u>(21,540)</u> |
| Total funds | 14 | <u><u>(21,540)</u></u> |

The financial statements on pages 6 to 14 were approved by the trustees, and authorised for issue on 13 June 2018 and signed on their behalf by:

.....
K Boyd
Trustee

.....
R Mason
Trustee

Sutton Coldfield Arts and Recreational Trust

Notes to the Financial Statements for the Period from 23 February 2016 to 30 April 2017

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Sutton Coldfield Arts and Recreational Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in £'s and rounded to the nearest pound.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Disclosure of long or short period

These accounts include transactions from 1st April 2015 which were adopted by the C.I.O. on its formation February 2016.

Going concern

The accounts have prepared on a going concern basis. The charity has a deficit of £21,540 at the balance sheet date, and this has continued to increase after the year end. The Trustees are reviewing ways to generate more income and anticipate a return to surplus over the coming years.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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

Sutton Coldfield Arts and Recreational Trust

Notes to the Financial Statements for the Period from 23 February 2016 to 30 April 2017

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

| Asset class | Depreciation method and rate |
|--------------------|-------------------------------------|
| Office Equipment | 25% straight line |

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of is established when there is objective evidence that the will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Sutton Coldfield Arts and Recreational Trust

Notes to the Financial Statements for the Period from 23 February 2016 to 30 April 2017

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

2 Income from donations and legacies

| | Unrestricted funds | Total 30 April 2017 |
|--------------------------------------|-----------------------|------------------------|
| | General £ | £ |
| Regular giving and capital donations | 1,500 | 1,500 |
| | <u>1,500</u> | <u>1,500</u> |

3 Income from charitable activities

| | Unrestricted funds | Total 30 April 2017 |
|---------------------------|-----------------------|------------------------|
| | General £ | £ |
| Room Hire Income | 53,843 | 53,843 |
| In house shows / concerts | 23,194 | 23,194 |
| Sale of food and drinks | 36,149 | 36,149 |
| Other income | 269 | 269 |
| | <u>113,455</u> | <u>113,455</u> |

Sutton Coldfield Arts and Recreational Trust

Notes to the Financial Statements for the Period from 23 February 2016 to 30 April 2017

4 Expenditure on charitable activities

| | Unrestricted funds | Total |
|----------------------|-----------------------|---------------|
| | General | 30 April 2017 |
| | £ | £ |
| Event fees | 9,346 | 9,346 |
| Alcohol & food | 15,467 | 15,467 |
| Equipment hire | 3,831 | 3,831 |
| Wages | 69,598 | 69,598 |
| Employers NIC | 1,500 | 1,500 |
| Staff training | 513 | 513 |
| Rates | 4,614 | 4,614 |
| Heat & light | 10,827 | 10,827 |
| Insurance | 1,110 | 1,110 |
| Repairs & renewals | 6,125 | 6,125 |
| Telephone | 1,010 | 1,010 |
| Computer | 561 | 561 |
| Office costs | 1,194 | 1,194 |
| Advertising | 2,708 | 2,708 |
| Legal & professional | 3,437 | 3,437 |
| Accountancy | 625 | 625 |
| Cleaning | 389 | 389 |
| Subscriptions | 351 | 351 |
| Bank fees | 3,289 | 3,289 |
| | 136,495 | 136,495 |

£136,495 of the above expenditure was attributable to unrestricted funds and £Nil to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £1,500 which relate directly to charitable activities. See note for further details.

5 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

Sutton Coldfield Arts and Recreational Trust

Notes to the Financial Statements for the Period from 23 February 2016 to 30 April 2017

6 Staff costs

The aggregate payroll costs were as follows:

| | 2017 |
|--|---------------|
| | £ |
| Staff costs during the period were: | |
| Wages and salaries | <u>69,598</u> |

The monthly average number of persons (including senior management team) employed by the charity during the period expressed as full time equivalents was as follows:

| | 30 April 2017 |
|---------------|----------------------|
| | No |
| Charity staff | <u>8</u> |

No employee received emoluments of more than £60,000 during the period

During the period the charity made the following transactions with key management personnel:

Charity staff

The Charity staff received remuneration of £69,598

7 Independent examiner's remuneration

| | 23 February |
|---|--------------------|
| | 2016 to 30 |
| | April 2017 |
| | £ |
| Examination of the financial statements | <u>1,500</u> |

8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Sutton Coldfield Arts and Recreational Trust

Notes to the Financial Statements for the Period from 23 February 2016 to 30 April 2017

9 Tangible fixed assets

| | Furniture and equipment £ | Total £ |
|-----------------------|---------------------------------|------------|
| Cost | | |
| Additions | 5,697 | 5,697 |
| At 30 April 2017 | 5,697 | 5,697 |
| Depreciation | | |
| At 30 April 2017 | - | - |
| Net book value | | |
| At 30 April 2017 | 5,697 | 5,697 |

10 Stock

| | 30 April 2017 £ |
|--------|--------------------|
| Stocks | 1,500 |

11 Debtors

| | 30 April 2017 £ |
|---------------|--------------------|
| Trade debtors | 7,611 |
| Prepayments | 13,939 |
| Other debtors | 916 |
| | 22,466 |

12 Creditors: amounts falling due within one year

| | 30 April 2017 £ |
|------------------------------------|--------------------|
| Trade creditors | 21,575 |
| Other taxation and social security | 2,365 |
| VAT grant repayable | 5,661 |
| Other creditors | 38,384 |
| Accruals | 4,195 |
| | 72,180 |

Sutton Coldfield Arts and Recreational Trust

Notes to the Financial Statements for the Period from 23 February 2016 to 30 April 2017

13 Creditors: amounts falling due after one year

| | 30 April 2017 £ |
|-------------|--------------------|
| Other loans | <u>120,000</u> |

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity:

| | 30 April 2017 £ |
|------------|--------------------|
| Other loan | <u>120,000</u> |

Birmingham City Council approved September 2016, a £100,000 working capital loan to enable SCART to manage cash flow fluctuations and £20,000 for new computer equipment and software for efficient box office and accounting.. repayable at the end of 5 years (2021). The loan is interest free.

14 Funds

| | Incoming resources £ | Resources expended £ | Balance at 30 April 2017 £ |
|---------------------------|----------------------------|----------------------------|----------------------------------|
| Unrestricted funds | | | |
| General | <u>114,955</u> | <u>(136,495)</u> | <u>(21,540)</u> |