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# THE ARTS CHARITY AT DEAN CLOUGH

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**FINANCIAL STATEMENTS**

**31 DECEMBER 2018**

**CHARITY REGISTRATION NUMBER: 1170751**



Spenser Wilson  
Chartered Accountants & Business Advisers

# **THE ARTS CHARITY AT DEAN CLOUGH**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2018**

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# THE ARTS CHARITY AT DEAN CLOUGH

## MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

YEAR ENDED 31 DECEMBER 2018

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**Registered charity** The Arts Charity at Dean Clough

**Charity number** 1170751

**Principal address** Dean Clough  
Halifax  
West Yorkshire  
HX3 5AX

**Trustees** Mrs A Cormac  
Mrs S Holdsworth  
Mr B Burton  
Mr R Standen

**Executive director** Mr V Allen

**Finance officer** Mrs L Cooper

**Independent examiner** Andrea Kennedy ACA FCCA ATT  
Spenser Wilson Ltd  
Equitable House  
55 Pellon Lane  
Halifax  
West Yorkshire  
HX1 5SP

**Bankers** Handelsbanken  
Ground Floor  
Fearnley Mill  
Dean Clough  
Old Lane  
Halifax  
West Yorkshire  
HX3 5AX

**Solicitors** Wrigleys Solicitors LLP  
19 Cookridge Street  
Leeds  
West Yorkshire  
LS2 3AG

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# **THE ARTS CHARITY AT DEAN CLOUGH**

## **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 DECEMBER 2018**

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The trustees present their report and the unaudited financial statements of the charity for the period ended 31 December 2018.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The charity was formed under the Charities Act 2011, Charitable Incorporated Organisation Foundation Model, on 14 December 2016.

The management of the charity is carried out by the officers.

#### **Recruitment and appointment of trustees**

Apart from the first charity trustees, every trustee must be appointed by a resolution passed at a properly convened meeting of the charity trustees.

The trustees must have regard to the skills, knowledge and experience needed for the effective administration of the Charitable Incorporated Organisation (CIO).

#### **Trustee Induction and training**

Induction and training are provided as required depending on the role to be undertaken and the skills of the trustee.

#### **Risk Management**

The Management Committee has conducted a review of the major risks to which the charity is exposed. Where appropriate, systems and/or procedures have been established to mitigate the risks the charity faces. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff and volunteers.

### **OBJECTIVES AND ACTIVITIES**

The objects of the CIO are to advance for the public benefit such exclusively charitable purposes (according to the laws of England and Wales) as the charity trustees see fit from time to time including (but without limiting the generality of the foregoing):

1. The advancement of the arts, in particular (but not exclusively):
  - a. By the staging of public exhibitions and arts events in order to develop public appreciation of the arts and to improve public access to the arts; and
  - b. By the provision of studio and workshop spaces to encourage and support the practice of the arts in various forms.
2. The advancement of education, in particular (but not exclusively), through the development and promotion of educational arts programmes for the public.

# THE ARTS CHARITY AT DEAN CLOUGH

## TRUSTEES' ANNUAL REPORT *(continued)*

### YEAR ENDED 31 DECEMBER 2018

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#### DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS

The Charity has sustained the gallery exhibition programme at Dean Clough Mills with a particular emphasis on community and educational shows during 2018.

- Community organisations exhibiting for the first time included: Manchester Academy of Fine Art, Halifax Fine Art and the Pontefract Art Group
- Significant exhibitions were provided for educational institutions including Calderdale College, Bradford College, Batley School of Fine Art, Leeds Arts College and others (including a primary school).
- The Sutcliffe Bequest Arts Library was opened in Autumn 2018 for artists and the general public.
- A comprehensive catalogue for the Dean Clough Arts Collection was compiled, concluding a 5-year documentation process.

The Charity completed a technical catalogue of its artist studios and the artists are now under revised, formal contracts. Dean Clough reclaimed studios in the stable yard but the subsequent loss of veteran sculptor Ian Judd was compensated for by the access of another sculptor, Sam Clayton.

Calderdale College's arts faculty rented space in Fletcher's Mill during the summer of 2018 and the monies raised were put towards the construction of Phoenix Radio's studio units. Yorkshire's most prestigious theatre company, Northern Broadsides, became a tenant in Fletcher's Mill at the year end.

The Charity achieved GDPR compliance in time for the May 2018 deadline and instigated a range of guideline documents for specific governance issues.

The Charity has continued to host regular community programmes on behalf of local choral, arts, health, poetry and educational organisations.

#### FINANCIAL REVIEW

Expenditure exceeded income by £8,745 during the period and the officers consider the charity to be in a good financial position.

#### RESERVES AND FUNDS

The charity holds reserves, which, it is felt, are adequate to cover its present and future requirements. Reserves at the year end were £15,740 (2017 - £24,485).

#### INVESTMENT POLICY

The charity drew up an investment policy that called for fiscal reserves to be sufficient to sustain the organisation for three months in the event of a sudden withdrawal of funds. In 2018 this implied securely invested reserves to the amount of £13,000. This policy was not enacted and was deferred until the Charity had achieved operating funds of some £18,000 between fiscal quarters.

#### PUBLIC BENEFIT

The Trustees confirm that they have complied with their duty to have due regard for the Charity Commission's general guidance on public benefit, 'Charities and public benefit'.

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# THE ARTS CHARITY AT DEAN CLOUGH

## TRUSTEES' ANNUAL REPORT *(continued)*

### YEAR ENDED 31 DECEMBER 2018

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#### RESPONSIBILITIES OF THE TRUSTEES

The charity's trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the income and expenditure 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 accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 and the Charity (Accounts and Reports) Regulations 2008. 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.

#### INDEPENDENT EXAMINER

Andrea Kennedy ACA FCCA ATT has been re-appointed as independent examiner for the ensuing year.

The trustees' annual report was approved on 1 May 2019 and signed on behalf of the board of trustees by:

**Mr R Standen**  
Trustee

# **THE ARTS CHARITY AT DEAN CLOUGH**

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**

Charity number: 1170751

### **YEAR ENDED 31 DECEMBER 2018**

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I report on the accounts of the charity for the period ended 31 December 2018 as set out on pages 5 to 8.

#### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER**

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

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act); and
- to state whether particular matters have come to my attention.

#### **BASIS OF INDEPENDENT EXAMINER'S STATEMENT**

My examination was carried out in accordance with 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 the 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, no material matters have come to my attention which give me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Charities Act, or
- the accounts do not accord with the accounting records

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

**ANDREA KENNEDY ACA FCCA ATT**

Independent examiner

Equitable House  
55 Pellon Lane  
Halifax  
West Yorkshire  
HX1 5SP

1 May 2019

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# THE ARTS CHARITY AT DEAN CLOUGH

## RECEIPTS AND PAYMENTS ACCOUNT

YEAR ENDED 31 DECEMBER 2018

	Year to 31 Dec 18 £	Period from 14 Dec 16 to 31 Dec 17 £
<b>RECEIPTS</b>		
Dean Clough grant	63,524	70,301
Artwork sales	–	878
Sale screen printing bed	–	300
Donations – Landshapes exhibition	300	200
Contributions for asset purchases	–	899
Donations	2,000	35
Studio and workshop space	19,102	3,528
<b>TOTAL RECEIPTS</b>	<b>84,926</b>	<b>76,141</b>
<b>PAYMENTS</b>		
Wages and salaries	12,949	–
Pension costs	56	–
Rent and service charge	17,280	–
Rates and water	697	–
Studio and workshop space light and heat	1,566	1,668
Light and heat	14,074	4,762
Insurance	235	479
Repairs and maintenance	1,757	1,199
Travel costs	10	235
Transportation costs	1,173	3,477
Gallery technician	6,444	5,077
Gallery co-ordinator	7,016	6,126
Consultancy	9,600	14,400
Finance costs	3,018	4,184
Cleaning costs	2,821	702
Hospitality	700	581
Computer expenses	368	220
Printing and stationery	777	342
Independent examination fees	900	–
Legal and professional fees	379	484
Costs of trustees' meetings	–	6
Other office costs	2,161	434
Advertising and promotional costs	2,877	3,848
Health and safety costs	1,565	56
Bank charges and interest	442	335
Training costs	70	–
<b>ASSET PURCHASES</b>	<b>2,620</b>	<b>3,040</b>
<b>TOTAL PAYMENTS</b>	<b>93,671</b>	<b>51,655</b>
<b>NET RECEIPTS/(PAYMENTS) C/F (page 6)</b>	<b>(8,745)</b>	<b>24,485</b>

The notes on page 8 form part of these financial statements.

# THE ARTS CHARITY AT DEAN CLOUGH

## RECEIPTS AND PAYMENTS ACCOUNT *(continued)*

YEAR ENDED 31 DECEMBER 2018

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	<b>Note</b>	<b>Year to 31 Dec 18 £</b>	<b>Period from 14 Dec 16 to 31 Dec 17 £</b>
NET RECEIPTS/(PAYMENTS) B/F (page 5)		(8,745)	24,485
CASH FUNDS BROUGHT FORWARD		<u>24,485</u>	<u>—</u>
CASH FUNDS CARRIED FORWARD	3	<u>15,740</u>	<u>24,485</u>

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The notes on page 8 form part of these financial statements.

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# THE ARTS CHARITY AT DEAN CLOUGH

## STATEMENT OF FINANCIAL POSITION

YEAR ENDED 31 DECEMBER 2018

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	Note	2018	£	2017	£
<b>CURRENT ASSETS</b>					
Cash at bank and in hand	1	21,937		24,955	
<b>CURRENT LIABILITIES</b>					
Other creditors	2	<u>6,197</u>		<u>470</u>	
<b>NET CURRENT ASSETS</b>			<u>15,740</u>		<u>24,485</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>15,740</u>		<u>24,485</u>
<b>FUNDS OF THE CHARITY</b>					
Unrestricted funds	3		<u>15,740</u>		<u>24,485</u>
<b>Total charity funds</b>			<u>15,740</u>		<u>24,485</u>

These financial statements were approved by the board of trustees and authorised for issue on 1 May 2019, and are signed on behalf of the board by:

**Mr R Standen**  
Trustee

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The notes on page 8 form part of these financial statements.

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# THE ARTS CHARITY AT DEAN CLOUGH

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2018

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### 1. CASH AT BANK AND IN HAND

	<b>2018</b>	2017
	£	£
Handelsbanken	<b>21,762</b>	24,855
Cash in hand	<b>175</b>	100
	<u><b>21,937</b></u>	<u>24,955</u>

### 2. OTHER CREDITORS

	<b>2018</b>	2017
	£	£
Social security and other taxes	<b>1,557</b>	–
Pension	<b>122</b>	–
Other creditors	<b>4,518</b>	470
	<u><b>6,197</b></u>	<u>470</u>

### 3. ANALYSIS OF CHARITABLE FUNDS

#### Unrestricted funds

	At 1 January 2018 £	Income £	Expenditure £	At 31 December 2018 £
General funds	24,485	67,646	(76,391)	<b>15,740</b>
	<u>24,485</u>	<u>67,646</u>	<u>(76,391)</u>	<u><b>15,740</b></u>