

BRIGHT SHADOW
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Charity No. 1171042 (England and Wales)

BRIGHT SHADOW

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BRIGHT SHADOW

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A Culverwell A Rabey E Taylor H Langley (Appointed 17 July 2019)
Charity Number	1171042
Key Management Personnel	C Thomas
Principal Address	Beach House Beach Street Herne Bay CT6 5PT
Independent Examiner	M A Wilkes FCA Wilkins Kennedy Greytown House 221 - 227 High Street Orpington Kent BR6 0NZ
Bankers	The Co-operative Bank 26 Military Road Chatham ME4 4JX

BRIGHT SHADOW

REPORT OF THE TRUSTEES

The Trustees present their report and examined financial statements of the charity for the year ended 31 December 2018. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the 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 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK published on 16 July 2014, as amended by bulletin 1.

Public Benefit Statement

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

Objectives and Activities

Bright Shadow was established in 2009. Our mission is to enable people living with dementia and those affected by dementia to live well and to thrive.

We achieve this mission through:

- Delivering high quality creative sessions in the community for people with dementia and their friends and family.
- Delivering high quality creative sessions in care homes for people with dementia.
- Delivering training and resources for care, arts, community and faith organisations on creative approaches to supporting people with dementia.
- Advocating for more creativity in the care of older people and people living with dementia.

We take an immersive arts-based approach, enabling participants with cognitive and/or sensory impairments to engage in a range of accessible ways. We actively encourage the use of the imagination and meet people in their creative mind-space, validating their experience of life in the present moment.

We undertake continuous monitoring and evaluation, including by expert external researchers to ensure that we are constantly learning and developing our practice, and to measure our impact.

We work towards the following results:

- People with dementia and those affected by dementia are living happy, meaningful, active lives in the community.
- People with dementia and those affected by dementia are able to reach their potential, and to have high levels of wellbeing.
- People with dementia living in care home settings have access to meaningful cultural activities that can boost their wellbeing.
- Care, arts, community and faith organisations are better equipped to meet the needs and unlock the potential of people with a dementia, and those who are affected by it.

Our core beneficiaries are aged between 50 and 100 and are either those living with dementia or a family carer of someone with dementia. We work with people at all stages of their dementia journey, sometimes until the end of their life. People living with dementia may face multiple impairments and complex disability. Due to the care demands of someone living at home with dementia, many families face economic hardship and many significant day to day challenges, both practical and emotional. Many people affected by dementia report feeling isolated and excluded from mainstream activities.

People who have dementia and live in a care home have little access to high quality arts and cultural activities and their opportunities for meaningful social interaction and cognitive stimulation are heavily dependent on the quality of care provided.

Our training and advocacy work reaches a wide variety of people in diverse organisations in our local Kent community and Nationally.

BRIGHT SHADOW

REPORT OF THE TRUSTEES

Charitable objectives for public benefit

In setting our objectives and planning our activities our Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Achievements and Performance in the Year

Award Winners

In December 2018 we were honoured to receive a Gerald Turley Recognition Award.

Zest Sessions in the Community

We delivered 135 high quality two - hour creative sessions in seven Kent and two Surrey locations: Dover, Hawkinge, Herne Bay, Birchington, Ramsgate, Faversham, Sittingbourne, Woking and Godalming. Each Session was led by a professional artist and supported by a Bright Shadow Assistant.

Participants people living with or affected by dementia) have taken part in sessions with a broad range of themes including: Cabaret, Hopping in Kent, Space and Summer Fair. We also invited a number of highly regarded guest artists to deliver sessions, including musician Natasha Greenham and Indian Dancer Minal Korla.

This year we made 630 contacts with people living with or affected by dementia.

The programme was independently evaluated by Dr Rasa Mikelyte of the University of Kent. Her key findings were

1. Zest participants are able to, and do engage in activities offered, and the activities Zest offers are suitable for both people with dementia and their carers;
2. Zest sessions improve participant self-reported wellbeing "in the here and now" (i.e. from before through to after the sessions);
3. Engaging in Zest activities improves mood either directly or by providing a platform for meaningful interaction which in turn improves mood.
4. Interviews revealed that Zest influenced wellbeing outside of Zest sessions, by increasing confidence and encouraging people with dementia and their carers to focus on ability and new areas of learning.

Our sessions were visited by many related support organisations including representatives of the NHS, local authorities, the Alzheimer's Society and Carers Support.

Zest Care Home Delivery (Zest Outreach)

In 2018 we delivered 80 high quality creative sessions in care homes making 960 contacts with 450 people living with dementia in the South East, primarily Kent and Surrey. A survey of participating care homes showed that 96% felt their residents were "quite " or "very" engaged; 98% felt the sessions were "pretty" or "fully" inclusive and 95% said there was " a lot of " or " a huge" improvement in the residents "wellbeing throughout the session.

Training and Resources Delivery

Due to staffing and organisational changes we placed our focus on Zest in 2018 and delivered only one training session, for Eastleigh Baptist Church, which was very well received.

We continued to receive regular enquiries (on average one per month) about training, despite not actively marketing it for the time-being.

We sold 6 Bright Boxes and fulfilled 116 requests for our free of charge Bright Ideas Activity Sheets.

Organisation

We expanded the pool of artists that we work with in 2018, bringing in more specialists and offering a wider range of art forms, including circus, floristry and visual art.

BRIGHT SHADOW

REPORT OF THE TRUSTEES

Achievements and Performance in the Year (continued)

Organisation

We worked hard to develop our networks with key local community organisations and took part in many community information and networking events to successfully raise our profile.

We welcomed a new freelance accountant - Iryna Thornby of ITA Prestige.

Bright Shadow is grateful for the support of the following organisations, which have enabled us to deliver our high quality programmes for people living with or affected by dementia this year:

Big Lottery, Big Potential
The Esmée Fairbairn Foundation
Kent County Council
People's Health Trust
The Morrisons Foundation

We would also like to acknowledge the kind support of many individual donors.

Financial review

Income for the year amounted to £82,239 (2017: £137,129) and expenditure for the year amounted to £103,148 (2017: £92,194). This resulted in a deficit of £20,909 (2017: surplus £44,935).

Our financial projection for 2019 is strong, with a large majority of required income already confirmed. However, other streams of income are expected to decrease whilst new personnel are recruited and develop their expertise.

Reserves policy

In accordance with the Charity Commission guidance, the Trustees review on a regular basis the level of income reserves that it considers appropriate. At 31 December 2018, the Trustees consider it appropriate to aim to hold unrestricted reserves equivalent to three months' core operational running costs which is in the region of £9,000 (2017: £9,000). The unrestricted reserves at 31 December 2018 amounted to £7,660 (2017: £14,230).

Pay policy for key management personnel

The Trustees consider that the Trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The key management personnel who are involved in all decision making and responsible for the day to day management of the Scheme are detailed on page 1. All Trustees give of their time freely and no Trustee received remuneration in the year. The pay of the senior staff is reviewed annually and normally increased in accordance with market rates.

Risk management

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable the charity to lessen or mitigate those risks.

Fundraising climate

Bright Shadow is exposed to a challenging fundraising environment, in which trusts and foundations are receiving greater numbers of applications but are offering fewer grants of lower value. Additionally, local authority commissioning is in flux and councils are facing substantial cuts in non-essential services.

BRIGHT SHADOW

REPORT OF THE TRUSTEES

Risk management

Fundraising climate

To mitigate this, the Trustees have reviewed the business plan to focus on the core programme which offers a strong and consistent programme of sessions based on our unique practice, which are independently evaluated to be highly effective. This work, deeply rooted in our local community, enables Bright Shadow to build on our excellent reputation for high quality participatory arts designed for people with dementia. In addition to this, the Trustees have appointed a new Charity Manager with considerable fundraising experience and knowledge of the arts and disability sectors and have recruited a new Trustee, Edward Taylor, a chartered accountant with one of the UK's top twenty accountancy firms to support the charity in developing its fundraising and financial management.

Effective Leadership Transition

The Trustees invested in an extended handover process to reflect the huge amount of experience gained over the previous nine years and have instituted monthly Trustee meetings to maintain strong governance and communication during this transitional time.

Plans for the future

Our financial projection for 2019 is strong, with a large majority of required income already confirmed. However other streams of income are expected to decrease whilst new personnel are recruited and develop their expertise.

We want to continue to develop the artistic and participatory qualities of our sessions, developing new models of engagement for people living with dementia.

We will pilot a new cultural event - Zest Together - bringing all our Zest groups together for the first time in a celebration of their achievements to date.

We will set up an Advisory group of people living with or affected by dementia to help us plan new and existing activities.

We will revise our training offer to enable us to generate more earned income once again.

Structure

The charity, which is registered with the Charity Commission under number 1171042, is established under a CIO Association dated 9 January 2017. Bright Box Resources was a company limited by Guarantee incorporated 18 October 2011. Bright Shadow CIO was registered 9 January 2017 (at which point the funds in Bright Box Resources were donated to the charitable organisation and the company has now been struck off).

Governance and Management

The Trustees of Bright Shadow are responsible for the general control and management of the administration of the charity.

The process of selecting trustees is outlined in the charity's constitution:

(1) Apart from the first charity trustees, every trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees.

(2) In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

A role description exists for all trustee roles and any new appointments to the board of trustees must be approved by a majority vote and only when a quorum is present.

BRIGHT SHADOW

REPORT OF THE TRUSTEES

Governance and Management

During the year the following were Trustees of the charity:

A Culverwell - Chair

A Rabey

E Taylor

H Langley Appointed 17 July 2019

Statement of Trustees' Responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year 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 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by the Trustees and signed on their behalf by:

A Culverwell

Chair

Date: 7 October 2019

BRIGHT SHADOW

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the Trustees on my examination of the accounts of Bright Shadow for the year ended 31 December 2018.

Responsibilities and basis of report

As the charity Trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounts records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

M A Wilkes FCA
Wilkins Kennedy

8 October 2019
Greytown House
221 - 227 High Street
Orpington
Kent BR6 0NZ

BRIGHT SHADOW**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
Income from:					
Donations		4,245	4,447	8,692	2,068
Donation from previous entity		-	-	-	43,814
Charitable activities:					
Grants	2	8,271	56,302	64,573	77,613
Raising funds:					
Income from attendees		1,072	7,902	8,974	13,634
Total income		<u>13,588</u>	<u>68,651</u>	<u>82,239</u>	<u>137,129</u>
Expenditure on:					
Charitable activities	3	20,158	82,990	103,148	92,194
Total expenditure		<u>20,158</u>	<u>82,990</u>	<u>103,148</u>	<u>92,194</u>
Net movement in funds		(6,570)	(14,339)	(20,909)	44,935
Funds brought forward 1 January 2018		14,230	30,705	44,935	-
Funds carried forward 31 December 2018		<u>7,660</u>	<u>16,366</u>	<u>24,026</u>	<u>44,935</u>

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

BRIGHT SHADOW**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018**

COMPARATIVE INFORMATION ONLY	Notes	Unrestricted funds £	Restricted funds £	2017 Total £
Income from:				
Donations		2,068	-	2,068
Donation from previous entity		12,377	31,437	43,814
Charitable activities:				
Grants	2	33,435	44,178	77,613
Raising funds:				
Income from attendees		12,008	1,626	13,634
Total income		<u>59,888</u>	<u>77,241</u>	<u>137,129</u>
Expenditure on:				
Charitable activities	3	45,658	46,536	92,194
Total expenditure		<u>45,658</u>	<u>46,536</u>	<u>92,194</u>
Net movement in funds		14,230	30,705	44,935
Funds brought forward 9 January 2017		-	-	-
Funds carried forward 31 December 2017		<u>14,230</u>	<u>30,705</u>	<u>44,935</u>

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

BRIGHT SHADOW**BALANCE SHEET
AS AT 31 DECEMBER 2018**

	Notes	2018		2017	
		£	£	£	£
Current Assets					
Debtors	6	1,462		4,591	
Cash at bank and in hand		<u>24,234</u>		<u>44,226</u>	
		25,696		48,817	
Creditors: amounts falling due within one year	7	<u>(1,670)</u>		<u>(3,882)</u>	
Net current assets			24,026		44,935
Net assets			<u>24,026</u>		<u>44,935</u>
Funds					
Restricted funds	8		16,366		30,705
Unrestricted funds			<u>7,660</u>		<u>14,230</u>
	9		<u>24,026</u>		<u>44,935</u>

Approved by the Board of Trustees on 7 October 2019 and signed on their behalf by:

E Taylor - Treasurer

A Culverwell - Chair

The notes on pages 10 to 13 form part of these accounts.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1 ACCOUNTING POLICIES

1.1 Basis of preparation

Bright Shadow is a registered charity with the Charity Commission in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities detailed in the Trustees' Annual Report on page 2 under the heading 'Objectives and activities'.

The charity constitutes a public benefit entity as defined by FRS 102. 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 (FRS 102) issued on 16 July 2014 as amended by Bulletin 1, the Financial Reporting Standard applicable in the United Kingdom (FRS 102) as amended by bulletin 1, the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Funds accounting

Unrestricted general funds are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restriction arises when specified by the donor or when funds are raised for particular restricted purposes.

1.3 Income

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income including donations is included in full in the Statement of Financial Activities when receivable.
- Grant income is included in the Statement of Financial Activities when receivable.
- Income from attendees is included in the Statement of Financial Activities when receivable.

1.4 Expenditure

Expenditure is accounted for on an accruals basis. The irrecoverable element of VAT is included with the item of expense to which it relates.

1.5 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

1.6 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

BRIGHT SHADOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

1.7 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.8 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.9 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believes that no material uncertainties exist. The Trustees has considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.10 Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no areas of judgment or key estimations.

2 Grants receivable

	2018	2017
	£	£
Kent County Council	7,171	12,700
Surrey Community Foundation	-	4,500
Big Potential Fund	13,105	33,435
Big Lottery	-	10,000
Community Foundation	-	8,978
Allen Lane Foundation	-	7,000
Comic Relief	-	1,000
People's Health Trust	11,729	-
Morrison's Foundation	7,568	-
Esmee Fairbairn	25,000	-
	<u>64,573</u>	<u>77,613</u>

BRIGHT SHADOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

3.1 Expenditure	Staff costs	Direct costs	Support Costs	2018 Total	2017 Total
	£	£	£	£	£
Charitable activities	52,850	26,619	23,679	103,148	102,033

3.2 Support costs	2018	2017
	£	£
Rent and room hire	8,320	6,072
Staff training and welfare	211	461
Travel and accomodation	3,323	3,318
Printing, postage and telephone	2,469	1,618
Advertising and marketing	1,079	930
Insurance	747	281
Computer costs	1,964	2,545
Refreshments	307	604
Other expenses	49	280
Bank charges and fees	-	97
Governance costs		
Accountancy - Independent examination	585	1,200
Book-keeping	4,625	305
	<u>23,679</u>	<u>17,711</u>

4 Staff costs and emoluments

The average number of employees during the period was 8 (2017: 6)

There are no employees with emoluments above £60,000.

	2018	2017
	£	£
Gross wages	52,648	46,933
Pension costs	202	-
	<u>52,850</u>	<u>46,933</u>

The remuneration to the senior management team totalled £21,019 (2017: £29,433).

5 Trustees remuneration and reimbursed expenses

The Trustees consider the board of Trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. As detailed above, no Trustees received remuneration during the year and no trustees were reimbursed expenses (2017: none)

6 Debtors	2018	2017
	£	£
Trade debtors	1,182	4,311
Prepayments	280	280
	<u>1,462</u>	<u>4,591</u>

7 Creditors: amounts falling due within one year	2018	2017
	£	£
Trade creditors	144	236
Accruals	1,005	2,476
Other creditors	521	1,170
	<u>1,670</u>	<u>3,882</u>

BRIGHT SHADOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

8 Restricted funds	As at 1 January 2018	Income	Expenditure	As at 31 December 2018
2018	£	£	£	£
Artists' Training	-	300	(300)	-
Zest Outreach	4,744	5,600	(10,344)	-
Zest Surrey	8,614	330	(8,944)	-
Zest Swale	7,730	7,803	(15,533)	-
Zest Communities	9,617	46,348	(40,236)	15,729
Training	-	8,270	(7,633)	637
	30,705	68,651	(82,990)	16,366

Restricted funds - 2017	As at 9 January 2017	Income	Expenditure	As at 31 December 2017
	£	£	£	£
Artists' Training	-	2,750	(2,750)	-
Zest Outreach	-	7,395	(2,651)	4,744
Zest Surrey	-	13,478	(4,864)	8,614
Zest Swale	-	11,000	(3,270)	7,730
Zest Communities	-	42,618	(33,001)	9,617
	-	77,241	(46,536)	30,705

Objectives of restricted funds

Artists' Training

Providing intensive training, support and supervision for arts professionals wishing to work with participants living with dementia in community or care home group settings; specifically sharing Bright Shadow's unique creative practice.

Zest Outreach

Providing high quality participatory creative sessions to people living with dementia who are resident in care homes.

Zest Communities

Providing regular high quality participatory creative sessions to people living with or affected by dementia in the community.

Training

Providing training that delivers high quality, creative activities for people with dementia.

9 Analysis of net assets between funds	Tangible fixed assets	Net current assets	Total
2018	£	£	£
Unrestricted funds	-	7,660	7,660
Restricted funds	-	16,366	16,366
	-	24,026	24,026

Analysis of net assets between funds

	Tangible fixed assets	Net current assets	Total
2017	£	£	£
Unrestricted funds	-	14,230	14,230
Restricted funds	-	30,705	30,705
	-	44,935	44,935

10 Related party transactions

There were no related party transactions in the year (2017: none).