

REGISTERED COMPANY NUMBER: 03177640 (England and Wales)
REGISTERED CHARITY NUMBER: 1054793

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2019
for
STUDIO 3 ARTS

Haines Watts Essex LLP
Coopers House
65a Wingletye Lane
Hornchurch
Essex
RM11 3AT

STUDIO 3 ARTS

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for the year ended 31 March 2019

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STUDIO 3 ARTS

Report of the Trustees for the year ended 31 March 2019

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of 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).

Objectives and activities

Building capital and confidence: 18/19 at Studio 3 Arts

It's my pleasure to share with you some of the highlights of a creatively packed year at Studio 3 Arts. More than 50,000 people experienced our work this year as audience, creators, performers, curators, participants, steering groups and volunteers.

Key project highlights:

Meat Raffle returns

After our sell-out run at the Barbican in 17/18, we brought Meat Raffle, our working-class cabaret experience, home to Studio 3 Arts. By popular demand, comedian Ninia Benjamin came back to headline, after performances from local theatre artist Matty May, indie rock band Cavalcade alongside a stellar line up of local people from Barking and Dagenham. The event was a riotous celebration of what it means to be working class and creative in East London.

'Well all I can say is, you guys are INCREDIBLE! Attended Meat Raffle last night with friends and what an amazing night. Thoroughly entertaining from the moment we stepped through the doors. An extremely eclectic mix of some of the most profound, sometimes quite poignant, thought provoking, poetry and monologues, followed by absolutely brilliant comedy, with roars of (cheek aching) laughter coming from every member of the audience. Then to be amazed by such talents: dance, live music (in many forms), audience involvement (only if you wanted to of course)... It really was such a wow of a night. My friends and I left, high on the joys of life, also happy to have spent time in the company of such incredible human beings!!' **Audience member, Meat Raffle**

Guild of Experience launched

We launched our new programme for older people, the Guild of Experience, funded by Arts Council England's Celebrating Age initiative. The programme kicked off with a performance by our older people's dance company, led by artists Bismark Anobah and Laura Dajao, and a rousing call to arms by Alan Lyddiard.

IG11 Art Trail expands

Our celebration of local art ramped up another notch this year, with more than 40 venues and 60 artists showing their work in the IG11 postcode. Host venues included pubs, offices, residents' front windows, shops, bus stops and fences!

The Elves and The Shoemaker plays

Our Christmas family show attracted a sell-out audience over 12 shows, and involved magic, ultraviolet light, incredible performances from actors Tom Mangan and Maria Omakinwa, and the most beautiful shoes we've ever seen.

'As ever another brilliant event at Studio 3 Arts, a brilliant place, with a brilliant play with a wonderful message. So wonderful to see the look of amazement on the faces of the audience - young and old. Such a skill and talent from two young actors to whip the crowd into a frenzy and then quickly flip the action and atmosphere. Fab clowning and fun without being patronizing. The set was wonderful and I particularly loved the big plates of food!!' **Audience member, Elves and The Shoemaker**

Changing The Boundaries is unveiled

We were thrilled to receive funding from Arts Council England and the GLA to begin a design and refurbishment programme for our building in Boundary Rd, Barking. It's very early stages but we consulted with well over 700 local people in the early brief-creating process, and we envisage that this co-created approach will underpin the entire project as it unfolds.

As ever, the strength and impact of our work is in the commitment and passion of our Artists, Partners, Funders, Volunteers, Cultural Connectors, Trustees, Staff, Participants and Audiences. We are hugely inspired your their support and dedication. Thank you, so much.

STUDIO 3 ARTS

Report of the Trustees
for the year ended 31 March 2019

Financial review

Reserves Policy

The Trustees have developed this reserves policy based on the following assumptions:

- In the event of a significant drop in direct programming income to fund project activity, the project expenditure would reduce in line with income.
- Agreed long-term funding from Arts Council England would continue for at least 4 months in the event of a drop in project income, whilst alternative direct funding for projects is sought.

The Trustees have assessed and allocated reserves on the basis of principal risks identified through the Company Risk Assessment, and upon review of the previous policy and funds available.

Funds have been Designated to cover the following liabilities, in the unlikely event of organisational liquidation:

- 3 months staff salaries
- 3 months organisational overheads
- Redundancy obligations to long-serving staff

These liabilities have been assessed on the basis of the revised staff headcount, and re-calculated as £70,000.

The Trustees have agreed to increase the Designated Funds from £49,000 to £60,000 at 31st March 2019, and will work towards the target of £70,000 Designated Funds by 2022, as and when surplus funds are available.

Annual Finance Report 2018-2019

Budgeted

Income: £498,689+ £340,185 (CBD) = £838,874
Expenditure: £503,369+ £328,850 (CBD) = £832,219
Surplus: £6,655

Actual

Income: £708,151
Expenditure: £614,116
Surplus: £94,035

The Surplus of £94,035 will be added to the organisation's reserves, and allocated between Designated Funds and Undesignated Funds as agreed by the Trustees.

Reserves

Reserves at 31st March 2018 were £142,014, which included:

~~Designated Funds: £49,000~~
Undesignated Funds (Operations): £41,765
Undesignated Funds (Building Deprecation): £51,249

Reserves at 31st March 2019 were £236,049 (Designated Funds £60,000)

Designated Funds: £60,000 (increased by £11,000 in line with our target of £70k by 2020)
Undesignated Funds (Operations): £124,800 (increased by £83,035)
Undesignated Funds (Building Deprecation): £51,249

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Report of the Trustees
for the year ended 31 March 2019

Comments on Actual performance vs Budgeted 2018-19

During 18-19, Studio 3 Arts had all staff roles filled for the majority of the year. Due to staff turnover, there were a number of vacancies that were vacant at the end of the period that were covered by the existing staff team and freelancers, including increasing the hours of one part time employee to become full time. The average FTE for 18-19 has been calculated to include the staff working on the Creative Barking & Dagenham project for which, whilst consortium led, Studio 3 Arts is the lead and accountable body.

18-19 has been a successful year in terms of fundraising and securing contracts, especially larger, strategic and multi-year projects. This is a result of investing in building relationships with funders and partners, and working more collaboratively with the local council as a partner/commissioner. In light of this success we have seen an increase in our income.

Actual income was generally in line with budget, as we had already secured major funding from Arts Council England (Core Programme), Youth Investment Fund (Big Deal) and Sport England (Too Fat to Run).

Our regular commissions from LBBD continued, including working with the Cultural Educational Partnership on Inspire and the Young People's Conference, as well as Event Hosting for summer festivals and other events.

Excitingly, we confirmed additional funding from Arts Council England as part of the Celebrating Age programme, a creative programme aimed at Older People from Barking & Dagenham who will co-create and co-curate a number of exciting creative interventions in the borough.

Core staff costs decreased in the final quarter of the year due to staff moving on. Freelancer costs have risen inline with this to address the need. We also took the opportunity of employing several interns, for additional administrative support.

Analysis

	2018-19	2017-18
Major commissions delivered	11	8
Project total costs & total income	£603k	£507k
Core Costs	£11k	£102k
Core Costs as % of total cost	2%	17%
Salary Costs	£248k	£219k
Staff Numbers (full-time equivalent)	10	5
Total Expenditure	£614k	£609k
Total Income	£708k	£690k
Income less Expenditure/Surplus	£94k	£81k

In addition, the % is inflated slightly due to the capitalisation of building improvement works (thus reducing Total Costs accordingly).

Year	SLA	CBD	Trusts	Core	Total income	Project costs	CBD costs	Core costs	Total costs	Outcome
10/11	192k	276k	120k	102k	690k	231k	276k	102k	609k	+80,876
11/12	193k	-	23k	151k	367k	123k	-	258k	381k	-14,161
12/13	78k	34k	65k	125k	302k	85k	34k	183k	302k	+125
13/14	39k	99k	81k	111k	330k	89k	99k	139k	327k	+2,774
14/15	31k	316k	42k	108k	497k	73k	316k	104k	493k	+3,870
15/16	101k	425k	90k	95k	711k	425k	425k	85k	702k	+9,404
16/17	224k	275k	83k	113k	666k	289k	275k	92k	655k	+10,574
17/18	118k	307k	214k	52k	691k	442k	162k	6k	610k	+80,876
18/19	47k	344k	284k	33k	708k	424k	179k	11k	614k	+94,035

STUDIO 3 ARTS

Report of the Trustees
for the year ended 31 March 2019

The Future

We are pleased to share that the following funding is confirmed going forward:

1. **Arts Council England** - National Portfolio Funding - Four year agreement with a significant uplift of £30k per year on the previous agreement, specifically ring-fenced for venue programming. Starting April 2018 to March 2022.
2. **Arts Council England** - Small Capital Grants - We are delighted to have been awarded £500k to re-develop the Galleon Centre
3. **Arts Council England/LBBD** - Creative People & Places - Creative Barking & Dagenham will continue to be funded to 2023 for Phase 3.
4. **GLA - Good Growth Fund** - We are delighted to have been awarded £500k to redevelop the Galleon Centre.
5. **Youth Investment Fund** - 2nd year funding - £24k for Big Deal
6. **LBBD Youth Arts Platform** - Connected Communities - Big Deal
7. **LBBD Early Interventions** - Big Deal
8. **Children In Need** - Big Art, Little People - A Creative family learning programme £20k
9. **Celebrating Age** - Guild of Experience - £100k over 18 months from Nov 2018
10. **Clothworkers Foundation** - Capital Funding - 75k
11. **Theatre's Trust** - £5k - Capital Funding

Fundraising is well underway for projects in 2019-20 and beyond with outcomes pending including:

1. **Esmée Fairbairn** £150,000 for Creative Barking & Dagenham
2. **National Lottery Celebrate** 25 £1,000 for Creative Barking & Dagenham
3. **London Marathon Charitable Trust** £100,000 for Capital Works
4. **Veolia Environmental Trust** £75,000 for Capital Works

The agreed amount which is included in the project's income towards the indirect costs of the Project Manager and core office costs is monitored against the estimated core costs.

As ever, it is essential for Studio 3 Arts to secure income not only for direct costs of running projects but also to fund the indirect costs of running the organisation.

As many funders cap the amount allocated to core/management and overhead costs, these are reduced to an absolute functional minimum.

Studio 3 Arts can be stated as an "ongoing concern" with confidence for 2018-19.

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Reference and administrative details

Registered Company number

03177640 (England and Wales)

Registered Charity number

1054793

Registered office

The Galleon Centre
Boundary Road
Barking
Essex
IG11 7JR

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Report of the Trustees
for the year ended 31 March 2019

Trustees

S Lees	Chartered Accountant	
S Murray	Manager	- appointed 11/11/2019
L L Cox	Consultant	- appointed 12/11/2019
F McDonagh	Engineer	- appointed 1/5/2018
C R S N Meaby	Director	- appointed 12/11/2019
S W D Abaka-Wood	Freelancer	- appointed 12/11/2019
K W West-Whyllie	Chair of the Board	

Trustees resigned during and after the year end

G Feldman – resigned 1/05/2018
L M O'Dwyer – resigned 30/08/2019
M Sands – resigned 30/08/2019
J C Towler – resigned 30/8/2019
D A Twomey – resigned 11/11/2019
P Schofield – resigned 11/11/2019

Auditors

Haines Watts Essex LLP
Coopers House
65a Wingley Lane
Hornchurch
Essex
RM11 3AT

Statement of trustees responsibilities

The trustees (who are also the directors of Studio 3 Arts for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors, Haines Watts Essex LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 22 December 2019 and signed on the board's behalf by:



K W West-Whyllie
Chair of the Board

Opinion

We have audited the financial statements of Studio 3 Arts (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate;
- or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Gorsuch (Senior Statutory Auditor)
for and on behalf of Haines Watts Essex LLP
Coopers House
65a Wingletye Lane
Hornchurch
Essex
RM11 3AT



Date: 30 December 2019

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Statement of Financial Activities
for the year ended 31 March 2019

	Notes	2019 Unrestricted funds £	2018 Total funds £
Income and endowments from			
Donations and legacies	2	707,877	690,647
Investment income	3	<u>274</u>	<u>35</u>
Total		708,151	690,682
Expenditure on			
Charitable activities	4		
Project costs		603,252	604,701
Audit and accountancy fees		<u>10,864</u>	<u>5,105</u>
Total		<u>614,116</u>	<u>609,806</u>
Net income		94,035	80,876
Reconciliation of funds			
Total funds brought forward		142,014	61,138
Total funds carried forward		<u>236,049</u>	<u>142,014</u>

The notes form part of these financial statements

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Balance Sheet
At 31 March 2019

	Notes	2019 Unrestricted funds £	2018 Total funds £
Fixed assets			
Tangible assets	10	48,623	51,429
Current assets			
Debtors	11	84,752	130,695
Cash at bank		<u>264,232</u>	<u>114,333</u>
		348,984	245,028
Creditors			
Amounts falling due within one year	12	(161,558)	(154,443)
Net current assets		<u>187,426</u>	<u>90,585</u>
Total assets less current liabilities		<u>236,049</u>	<u>142,014</u>
Net assets		<u>236,049</u>	<u>142,014</u>
Funds	13		
Unrestricted funds:			
General fund		176,049	93,014
Designated fund		<u>60,000</u>	<u>49,000</u>
		<u>236,049</u>	<u>142,014</u>
Total funds		<u>236,049</u>	<u>142,014</u>

The financial statements were approved by the Board of Trustees on 22nd December 2019 and were signed on its behalf by:


K W West-Whyllie
Chair of the Board

The notes form part of these financial statements

STUDIO 3 ARTS

Cash Flow Statement
for the year ended 31 March 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>157,554</u>	<u>59,354</u>
Net cash provided by (used in) operating activities		<u>157,554</u>	<u>59,354</u>
Cash flows from Investing activities:			
Purchase of tangible fixed assets		(7,929)	(59,778)
Interest received		<u>274</u>	<u>35</u>
Net cash provided by (used in) Investing activities		<u>(7,655)</u>	<u>(59,743)</u>
Change in cash and cash equivalents in the reporting period		<u>149,899</u>	<u>(389)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>114,333</u>	<u>114,722</u>
Cash and cash equivalents at the end of the reporting period		<u>264,232</u>	<u>114,333</u>

The notes form part of these financial statements

STUDIO 3 ARTS

Notes to the Cash Flow Statement
for the year ended 31 March 2019

1. Reconciliation of net income to net cash flow from operating activities		
	2019	2018
	£	£
Net income for the reporting period (as per the statement of financial activities)	94,035	80,876
Adjustments for:		
Depreciation charges	10,735	9,150
Interest received	(274)	(35)
Decrease/(increase) in debtors	45,943	(74,891)
Increase in creditors	<u>7,115</u>	<u>44,254</u>
Net cash provided by (used in) operating activities	<u>157,554</u>	<u>59,354</u>

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Notes to the Financial Statements for the year ended 31 March 2019

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Company status

The charity is a company limited by guarantee, registered in the UK. The members of the company are the Trustees.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- 10% on cost
Fixtures and fittings	- 20% on cost

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

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Notes to the Financial Statements - continued
for the year ended 31 March 2019

1. Accounting policies - continued

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

2. Donations and legacies

	2019	2018
	£	£
Gifts and donations	517,634	602,785
Gift aid	46,519	-
Other income	<u>143,724</u>	<u>87,862</u>
	<u>707,877</u>	<u>690,647</u>

3. Investment income

	2019	2018
	£	£
Deposit account interest	<u>274</u>	<u>35</u>

4. Charitable activities costs

	Direct costs	Support costs (See note 5)	Totals
	£	£	£
Project costs	603,252	-	603,252
Audit and accountancy fees	<u>-</u>	<u>10,864</u>	<u>10,864</u>
	<u>603,252</u>	<u>10,864</u>	<u>614,116</u>

5. Support costs

	Governance costs
	£
Audit and accountancy fees	<u>10,864</u>

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Notes to the Financial Statements - continued
for the year ended 31 March 2019

6. **Net income/(expenditure)**

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	£
Auditors remuneration	9,680	5,105
Depreciation - owned assets	<u>10,735</u>	<u>9,150</u>

7. **Trustees' remuneration and benefits**

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2019 nor for the year ended 31 March 2018.

8. **Staff costs**

	2019	2018
	£	£
Wages and salaries	225,821	142,522
Social security costs	18,384	73,832
Other pension costs	<u>3,324</u>	<u>2,750</u>
	<u>247,529</u>	<u>219,104</u>

The average monthly number of employees during the year was as follows:

	2019	2018
Charitable activities	<u>10</u>	<u>5</u>

No employees received emoluments in excess of £60,000.

9. **Comparatives for the statement of financial activities**

	Unrestricted funds £
Income and endowments from	
Donations and legacies	690,647
Investment income	<u>35</u>
Total	690,682
Expenditure on	
Charitable activities	
Project costs	604,701
Audit and accountancy fees	<u>5,105</u>
Total	609,806

STUDIO 3 ARTS

Notes to the Financial Statements - continued
for the year ended 31 March 2019

9. Comparatives for the statement of financial activities - continued

Unrestricted
funds
£

Net income	80,876
Reconciliation of funds	
Total funds brought forward	61,138
Total funds carried forward	<u>142,014</u>

10. Tangible fixed assets

	Long leasehold £	Fixtures and fittings £	Totals £
Cost			
At 1 April 2018	28,064	166,247	194,311
Additions	-	7,929	7,929
At 31 March 2019	<u>28,064</u>	<u>174,176</u>	<u>202,240</u>
Depreciation			
At 1 April 2018	2,807	140,075	142,882
Charge for year	2,806	7,929	10,735
At 31 March 2019	<u>5,613</u>	<u>148,004</u>	<u>153,617</u>
Net book value			
At 31 March 2019	<u>22,451</u>	<u>26,172</u>	<u>48,623</u>
At 31 March 2018	<u>25,257</u>	<u>26,172</u>	<u>51,429</u>

11. Debtors: amounts falling due within one year

	2019 £	2018 £
Trade debtors	540	117,795
Prepayments and accrued income	<u>84,212</u>	<u>12,900</u>
	<u>84,752</u>	<u>130,695</u>

STUDIO 3 ARTS

Notes to the Financial Statements - continued
for the year ended 31 March 2019

12. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	6,914	54,781
Other creditors	13,997	7,449
Accruals and deferred income	<u>140,647</u>	<u>92,213</u>
	<u>161,558</u>	<u>154,443</u>

13. Movement in funds

	At 1/4/18	Net movement in funds	Transfers between funds	At 31/3/19
	£	£	£	£
Unrestricted funds				
General fund	93,014	94,035	(11,000)	176,049
Designated fund	<u>49,000</u>	<u>-</u>	<u>11,000</u>	<u>60,000</u>
	142,014	94,035	-	236,049
	<u>142,014</u>	<u>94,035</u>	<u>-</u>	<u>236,049</u>
TOTAL FUNDS				

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	708,151	(614,116)	94,035
	<u>708,151</u>	<u>(614,116)</u>	<u>94,035</u>
TOTAL FUNDS			

Comparatives for movement in funds

	At 1/4/17	Net movement in funds	Transfers between funds	At 31/3/18
	£	£	£	£
Unrestricted Funds				
General fund	27,138	80,876	(15,000)	93,014
Designated fund	<u>34,000</u>	<u>-</u>	<u>15,000</u>	<u>49,000</u>
	61,138	80,876	-	142,014
	<u>61,138</u>	<u>80,876</u>	<u>-</u>	<u>142,014</u>
TOTAL FUNDS				

STUDIO 3 ARTS

Notes to the Financial Statements - continued
for the year ended 31 March 2019

13. Movement in funds - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	690,682	(609,806)	80,876
TOTAL FUNDS	<u>690,682</u>	<u>(609,806)</u>	<u>80,876</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/17 £	Net movement in funds £	Transfers between funds £	At 31/3/19 £
Unrestricted funds				
General fund	27,138	174,911	(26,000)	176,049
Designated fund	<u>34,000</u>	-	<u>26,000</u>	<u>60,000</u>
TOTAL FUNDS	<u>61,138</u>	<u>174,911</u>	<u>-</u>	<u>236,049</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	<u>1,398,833</u>	<u>(1,223,922)</u>	<u>174,911</u>
TOTAL FUNDS	<u>1,398,833</u>	<u>(1,223,922)</u>	<u>174,911</u>

14. Related party disclosures

There were no related party transactions for the year ended 31 March 2019.

STUDIO 3 ARTS

Detailed Statement of Financial Activities
for the year ended 31 March 2019

	2019 £	2018 £
Income and endowments		
Donations and legacies		
Gifts and donations	517,634	602,785
Gift aid	46,519	-
Other income	<u>143,724</u>	<u>87,862</u>
	707,877	690,647
Investment income		
Deposit account interest	<u>274</u>	<u>35</u>
Total incoming resources	708,151	690,682
Expenditure		
Charitable activities		
Wages	225,821	142,522
Social security	18,384	73,832
Pensions	3,324	2,750
Insurance	4,471	3,354
Telephone	7,045	5,607
Postage and stationery	9,299	4,269
Advertising	6,830	7,871
Sundries	3,382	1,906
Travel	5,508	969
Cleaning	5,564	587
Galleon Centre Overheads	212,495	338,745
Artist fees	69,211	-
Conferences and Events	5,386	-
Computer costs	15,288	11,884
Bank charges	509	391
Short leasehold	2,806	2,807
Fixtures and fittings	<u>7,929</u>	<u>6,343</u>
	603,252	603,837
Support costs		
Governance costs		
Auditors' remuneration	9,680	5,105
Accountancy and legal fees	<u>1,184</u>	<u>864</u>
	<u>10,864</u>	<u>5,969</u>
Total resources expended	614,116	609,806
Net income	<u>94,035</u>	<u>80,876</u>

This page does not form part of the statutory financial statements