

collec

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 30 June 2018
for
Kennet Valley Arts Trust

THURSDAY



A7K0LVCG
A27 13/12/2018 #247
COMPANIES HOUSE

MHA Monahans
Chartered Accountants
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Kennet Valley Arts Trust

Contents of the Financial Statements
for the Year Ended 30 June 2018

	Page
Report of the Trustees	1 to 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 to 12
Detailed Statement of Financial Activities	13

Kennet Valley Arts Trust

Report of the Trustees
for the Year Ended 30 June 2018

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 30 June 2018. 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

Objectives and aims

The objects of the company are: -

To advance public education and promote interest in the Arts by establishing an arts activity centre for all types of performing arts, film, visual and creative arts for the benefit of the local population and visitors to the Kennet Valley area.

Public Benefit

The trustees have paid regard to the Charity Commissioners guidance on public benefit in deciding what activities the charity should undertake. The trustees consider that they have acted for the public benefit

Kennet Valley Arts Trust

Report of the Trustees for the Year Ended 30 June 2018

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Highlights

- KVAT's screened events have to date attracted a total audience of 16,000. Our live event audience has now exceeded 8,100 in total, and our total film audience is approaching 7,900.
- A total of 120 livescreen events have been hosted since KVAT started these activities in April 2013. 160 films have been shown since May 2010.

Prior to this season the Trustees had reviewed supplier contracts and resolved to constrain the live event programme in order to reduce the number of loss-making events. During the reporting period our livescreen programme organised 9 events, continuing our focus on classical and modern ballet from the Royal Opera House, and including 3 landmark operas and one 'exhibition on screen'. Turnout for just one event exceeded 100, but we maintained a healthy average audience (in the mid-60s), ensuring no event was unprofitable. Due to the focussed content of our programme we had very few subsidised school-age attendees in our audience.

With the children's film programme at St John's Theatre on the Hill still in abeyance, our film programme consisted of 8 screenings at Marlborough Town Hall. Our films attracted over 600 attendees in total, with a full house for Viceroy's House, and over 100 attendees for My Cousin Rachel - plus two other titles with audiences close to 3-figures. We continued to focus on mainstream presentations, and with good choices of titles and a slightly reduced frequency, we were able to significantly increase our average audience over last season's level.

The film and livescreen programmes were again run this year without sponsorship, which necessitated a keen focus on the viability of each event. The Trust recognises the support of its team of volunteers, who have enthusiastically sustained a schedule of events enhancing the cultural life of the town; we cannot thank them enough for their vital contributions. We also gratefully acknowledge the efforts of White Horse Bookshop and Sound Knowledge in supporting our box office sales.

In 2017 the former United Reform Chapel in Marlborough was acquired by a consortium with a view to conversion into a cinema. In April 2018 they received planning permission to convert to a 108 seat, two tier cinema. On October 11th 2018 it was announced that the scheme was progressing and that The Parade Cinema would open in June 2019. (www.paradecinema.co.uk).

The Trustees believe that this development will fulfil, in large part, the objective of the Trust. We have depended entirely on the expertise and involvement of Trustees, volunteers and friends who have worked tirelessly for the 20 years of the Trust's existence-particularly over the last eight years. We have provided a successful and much valued film and Livescreen public venue, operating out of Marlborough Town Hall, however we cannot continue to do this as all involved cannot any longer commit to the time given.

We have formally complied with the new Regulations (GDPR) to protect our customers' privacy but we now intend to take advice on the winding up of KVAT.

Appendix

- We consciously reduced the number of events in the programme for '17/18 by about one-third (from 9 films, 17 live (total 26) last year).

- Despite far fewer events, our total audience turnout was 80% of the previous year's level, and showed an up-turn in the appeal of our programme:

films attracted a total 607 heads from 8 events (average 76) vs. 514 from 9 (av. 57) previously;

live events drew 568 heads from 9 events (average 63) vs. 936 from 17 (av. 55) previously.

- The complexion of our programme of live events was much changed compared to last year, as we maintained only those content provider contracts allowing us flexibility in choice and number of performances (Royal Opera House and Seventh Art). 'Non-performance' content was much reduced, and this year we held no encores, or schools'-only closed houses.

- Our various sales channels show increasingly consistent customer behaviour:

White Horse Bookshop remains the dominant choice for pre-sale tickets, with a share of 60% of pre-sales - maintaining the demand for over-the-counter purchases of hard copy tickets amongst an audience with predominantly traditional buying habits - and Sound Knowledge backs this up with a further 7-8% (both constant from last year).

Pre-sales for future events to attendees on show nights has plateaued around 7%, driven both by our less regular scheduling, and greater familiarity with email alerts and shopping online for our frequent attendees.

Online sales now account for 1-in-4 presales - a slightly higher proportion for live events (where prices are £12 to £15 in advance vs. £14 to £17.50 on the door) than for films (£5 advance vs. £6 on door). On-door sales are a steady 10% for live events, and account for one sixth of all attendees on film nights.

Kennet Valley Arts Trust

Report of the Trustees **for the Year Ended 30 June 2018**

FINANCIAL REVIEW

General

Financial reports are prepared for consideration by the trustees at each board meeting.

The trust carries insurance for public liability, equipment and events.

The financial statements and reports have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities.

At 30 June 2018 the charity had funds of £2,624.

Reserves policy

It is the aim of the trustees to build up unrestricted funds, which will be the free reserves of the charity, to a level of approximately three months expenditure. Reserves of £2,624 were held at 30 June 2018.

Going concern

Following recent press coverage that a new cinema will be built in Marlborough in 2019, the trustees have decided to cease the activities of KVAT. The trustees do not plan to show any more films or livescreen. The productions. The trustees expect KVAT to be wound up by 30 June 2019. Therefore the going concern basis of the financial statements is not applicable and the financial statement have been prepared on a break up basis. Current assets have been stated at recoverable amounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Kennet Valley Arts Trust (KVAT) is a company limited by guarantee governed by its Memorandum and Articles of Association. The company was incorporated on 22 April 1996 (No 3188787). It is registered as a charity with the Charity Commission. The Financial Statements have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities. The company is exempt under Section 30 of the Companies Act from the requirement to use the word "limited" in its title.

Recruitment and appointment of new trustees

The trustees are appointed in accordance with the Articles of Association. A third retire by rotation at each AGM but are eligible for re-appointment. The board endeavours to ensure that trustees are representative of the area in which the trust operates and that there is a good balance of skills and expertises required in pursuing the objects of the company.

Organisational structure

The Board of trustees is the body responsible for the management of KVAT. It meets every six to eight weeks and discusses general trustee business and plans.

Induction and training of new trustees

New trustees are issued with documentation to brief them on their legal obligations under charity and company law. They are briefed on the contents of the Memorandum and Articles of Association and other documentation relating to the company and the charitable objects.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

3188787 (England and Wales)

Registered Charity number

1055021

Registered office

6 Cromwell Court
High Street
Marlborough
Wiltshire
SN8 1EW

Trustees

J J Buxton
G Loosmore
C Mellor
M C Nott
G Hayles

Company Secretary

Mrs D Turnbull

Kennet Valley Arts Trust

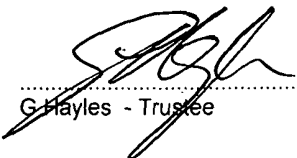
Report of the Trustees
for the Year Ended 30 June 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Independent examiner

S G Fraser FCA
MHA Monahans
Chartered Accountants
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Approved by order of the board of trustees on 19/4/18 and signed on its behalf by:


G Hayles - Trustee

**Independent Examiner's Report to the Trustees of
Kennet Valley Arts Trust**

Independent examiner's report to the trustees of Kennet Valley Arts Trust ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 June 2018.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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



S G Fraser FCA
MHA Monahans
Chartered Accountants
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Date:

11th Dec 2018

Kennet Valley Arts Trust

Statement of Financial Activities
for the Year Ended 30 June 2018

	Notes	Unrestricted funds £	Restricted funds £	Year Ended 30.6.18 Total funds £	Period 1.5.16 to 30.6.17 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		415	-	415	1,644
Charitable activities	2				
Promotion of the arts		11,939	-	11,939	19,236
Total		12,354	-	12,354	20,880
 EXPENDITURE ON					
Raising funds		652	-	652	668
Charitable activities	3				
Promotion of the arts		11,299	-	11,299	18,873
Total		11,951	-	11,951	19,541
NET INCOME		403	-	403	1,339
 RECONCILIATION OF FUNDS					
Total funds brought forward		2,221	-	2,221	882
TOTAL FUNDS CARRIED FORWARD		2,624	-	2,624	2,221

The notes form part of these financial statements

Kennet Valley Arts Trust

Balance Sheet
At 30 June 2018

	Notes	2018 £	2017 £
CURRENT ASSETS			
Debtors	9	355	485
Cash at bank		3,318	3,205
		<u>3,673</u>	<u>3,690</u>
CREDITORS			
Amounts falling due within one year	10	(1,049)	(1,469)
NET CURRENT ASSETS		<u>2,624</u>	<u>2,221</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,624	2,221
NET ASSETS		<u>2,624</u>	<u>2,221</u>
FUNDS	12		
Unrestricted funds		2,624	2,221
TOTAL FUNDS		<u>2,624</u>	<u>2,221</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2018.

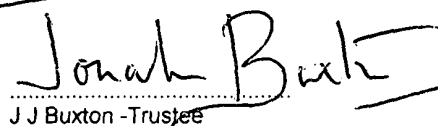
The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 19/4/18 and were signed on its behalf by:



J J Buxton - Trustee

The notes form part of these financial statements

Kennet Valley Arts Trust

Notes to the Financial Statements **for the Year Ended 30 June 2018**

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.

The financial statements are prepared on a 'break up' 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 pound.

There are no significant areas of judgements or key sources of estimation uncertainty.

Going concern

Following recent press coverage that a new cinema will be built in Marlborough in 2019, the trustees have decided to cease the activities of KVAT. The trustees do not plan to show any more films or livescreen. The productions. The trustees expect KVAT to be wound up by 30 June 2019. Therefore the going concern basis of the financial statements is not applicable and the financial statement have been prepared on a break up basis. Current assets have been stated at recoverable amounts.

Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken exemption from preparing a cash flow statement under the charities SORP (FRS 102) Update Bulletin 1 issued on 2 February 2016, as the charity constitutes a small charity.

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.

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.

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.

Taxation

The charity is exempt from tax on income and gains to the extent that these are applied to 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.

Kennet Valley Arts Trust

Notes to the Financial Statements - continued **for the Year Ended 30 June 2018**

1. ACCOUNTING POLICIES - continued

Debtors

Trade and other debtors are recognised at the settlement amount due 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 cash 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.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. INCOME FROM CHARITABLE ACTIVITIES

		Year Ended 30.6.18 £	Period 1.5.16 to 30.6.17 £
Activity			
Film and Live screening ticket sales	Promotion of the arts	11,939	19,236

3. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 4) £	Support costs (See note 5) £	Totals £
Promotion of the arts	6,843	4,456	11,299

4. DIRECT COSTS OF CHARITABLE ACTIVITIES

	Year Ended 30.6.18 £	Period 1.5.16 to 30.6.17 £
Events	6,843	12,374

5. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Promotion of the arts	3,716	740	4,456

Support costs, included in the above, are as follows:

Kennet Valley Arts Trust

Notes to the Financial Statements - continued
for the Year Ended 30 June 2018

5. SUPPORT COSTS - continued

	Year Ended 30.6.18	Period 1.5.16 to 30.6.17
	Promotion of the arts	Total activities
	£	£
Insurance	467	722
Website development	530	1,055
Administration fee and expenses	2,719	3,987
Accountancy and independent examination	740	735
	<u>4,456</u>	<u>6,499</u>

6. NET INCOME/(EXPENDITURE)

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

	Year Ended 30.6.18	Period 1.5.16 to 30.6.17
	£	£
Accountancy and independent examination	<u>700</u>	<u>735</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2018 nor for the period ended 30 June 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2018 nor for the period ended 30 June 2017.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,644	-	1,644
Charitable activities			
Promotion of the arts	19,236	-	19,236
Total	<u>20,880</u>	<u>-</u>	<u>20,880</u>
EXPENDITURE ON			
Raising funds	668	-	668
Charitable activities			
Promotion of the arts	18,873	-	18,873
Total	<u>19,541</u>	<u>-</u>	<u>19,541</u>
NET INCOME	<u>1,339</u>	<u>-</u>	<u>1,339</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	882	-	882
TOTAL FUNDS CARRIED FORWARD	<u>2,221</u>	<u>-</u>	<u>2,221</u>

Kennet Valley Arts Trust

Notes to the Financial Statements - continued
for the Year Ended 30 June 2018

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

Unrestricted funds £	Restricted funds £	Total funds £
----------------------------	--------------------------	---------------------

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
VAT	-	136
Prepayments and accrued income	355	349
	<u>355</u>	<u>485</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	-	770
Social security and other taxes	349	-
Accruals and deferred income	700	699
	<u>1,049</u>	<u>1,469</u>

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Current assets	3,673	-	3,673	3,690
Current liabilities	(1,049)	-	(1,049)	(1,469)
	<u>2,624</u>	<u>-</u>	<u>2,624</u>	<u>2,221</u>

12. MOVEMENT IN FUNDS

	At 1.7.17 £	Net movement in funds £	At 30.6.18 £
Unrestricted funds			
General fund	2,221	403	2,624
	<u>2,221</u>	<u>403</u>	<u>2,624</u>
TOTAL FUNDS			
	<u>2,221</u>	<u>403</u>	<u>2,624</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	12,354	(11,951)	403
	<u>12,354</u>	<u>(11,951)</u>	<u>403</u>
TOTAL FUNDS			
	<u>12,354</u>	<u>(11,951)</u>	<u>403</u>

Kennet Valley Arts Trust

Notes to the Financial Statements - continued
for the Year Ended 30 June 2018

12. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.5.16 £	Net movement in funds £	At 30.6.17 £
Unrestricted Funds			
General fund	882	1,339	2,221
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>882</u>	<u>1,339</u>	<u>2,221</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	20,880	(19,541)	1,339
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>20,880</u>	<u>(19,541)</u>	<u>1,339</u>

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 June 2018.