

Company registration number: 03340600  
Charity registration number: 1066687

**NEWHAMPTON ARTS CENTRE**

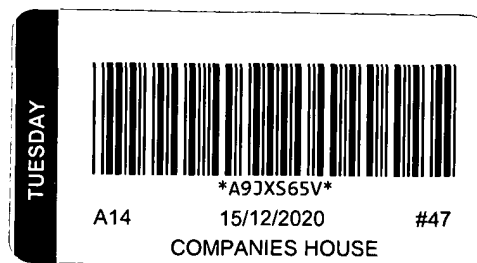
**DIRECTORS' REPORT**

**AND**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**

Daw White Murrall  
Chartered Accountants  
1 George Street  
Snow Hill  
Wolverhampton  
WV2 4DG



**NEWHAMPTON ARTS CENTRE**  
**(Company Limited by Guarantee)**

**Company Information**

Registered charity name	Newhampton Arts Centre
Charity registration number	1066687
Company registration number	03340600
Registered office	Dunkley Street Wolverhampton West Midlands WV1 4AN
Trustees/Directors	J M Barrow R J Ashwell K Fraser M Cartwright C Shelton <del>L Hickman (resigned 20<sup>th</sup> December 2019)</del> K Pennington Yates (resigned 4 <sup>th</sup> December 2019) R Harvey S Badyal Kaur (resigned 14 <sup>th</sup> May 2020) R Taylor R Simpson (resigned 26 <sup>th</sup> March 2019) F Richings
Company secretary	T Wright
Accountants	Daw White Murrall Chartered Accountants 1 George Street Snow Hill Wolverhampton WV2 4DG

**NEWHAMPTON ARTS CENTRE**  
**(Company Limited by Guarantee)**

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**NEWHAMPTON ARTS CENTRE**  
**(Company Limited by Guarantee)**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2020**

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2020.

**Structure, Governance and Management**

Newhampton Arts Centre is a company limited by guarantee and not having a share capital under the Companies Act 2006 (registration number 03340600) and is registered with the Charity Commission as a charity (registration number 1066687) under the Charities Act 2011.

The charity is governed by a Board of Trustees who are also directors. Directors are elected at the AGM and serve for three years. They represent arts, site users, the local community, business and education.

The governance of the charity is laid out in its governing document which is available on request.

**Trustees Responsibilities**

The trustees are responsible for preparing the Trustees' Annual Report and the 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 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;
- state whether applicable UK 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 operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

**Appointment of trustees**

As set out in the Articles of Association, the chair of the trustees is nominated by the Board. The trustees are elected annually by the members of the charitable company attending the Annual General Meeting and serve for a period of three years. They can then be re-elected for a further three year period. The Board may recommend additional terms if the arts centre would benefit as a result. There can be up to 12 Board members.

**NEWHAMPTON ARTS CENTRE  
(Company Limited by Guarantee)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2020**

**Trustee induction and training**

New trustees undergo an induction to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. During the induction they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

**Organisation**

The board of trustees administers the charity. The board meets bi-monthly and there are action groups covering development, personnel and finance which meet as required. A Chief Executive is appointed by the trustees to direct the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for undertaking agreed strategies and operational matters including finance, employment and artistic programme related activity.

**Risk management**

The trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face
- the establishment of systems and procedures to mitigate those risks identified in the plan
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This ongoing work has resulted in better emergency procedures and contingency plans and gives the impetus for better planning. Particular attention is focussed on non financial risks arising from buildings, health and safety of all site users, and food hygiene. A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees.

**NEWHAMPTON ARTS CENTRE  
(Company Limited by Guarantee)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2020**

**Public benefit**

The trustees have had regard to the Charity Commission's guidance on public benefit.

The Newhampton Arts Centre aims to deliver charitable public benefit by inspiring and supporting those who may not regularly be involved in creative experiences, including:

- children and young people
- families and intergenerational groups
- people with disabilities
- people who feel on the edge of or excluded from mainstream society and/or who do not identify themselves as arts attenders.

**NEWHAMPTON ARTS CENTRE**  
**(Company Limited by Guarantee)**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**Objectives and activities**

The charity works to achieve its aims by:

1. Providing a high quality and supportive venue for the performance of music, dance, drama and other performing arts, for professional and community use including minority cultural events.
2. Providing good value office, rehearsal and meeting space for resident organisations and appropriate groups and organisations from the wider community.
3. Engaging local voluntary and professional organisations in positive cultural partnerships and collaborations within the centre, the city and the West Midlands region.
4. Providing opportunities for young people, children and families to participate in the arts.
5. Promoting the Newhampton Arts Centre as a hub for formal and informal education, training and participation within the arts.
6. Encouraging links and shared opportunities between organisations to optimise the use of the Newhampton Arts Centre facilities.
7. Promoting training and development for staff, resident and other organisations in the cultural industries.
8. Promoting inclusion in the arts by addressing barriers - physical, social, cultural, economic.
9. Maintaining the economic viability of the Newhampton Arts Centre, to sustain the delivery of arts opportunities.
10. Seeking funding to support new cultural opportunities.

**NEWHAMPTON ARTS CENTRE**  
**(Company Limited by Guarantee)**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**Achievements and performance**

**Performance Venue**

The NAC theatre has been busy with 120 events (138 in 2018-19) with a total attendance of more than 13,350 (11,655 in 2018-19). Music again featured highly with 58 performances from professional and emerging musicians including 7 folk, 9 contemporary jazz, 32 independent gigs and 10 youth music events. There were also 18 youth performances (dance/drama/mixed) and 4 by a disability arts organisation.

Family theatre included shows by Little Angel Puppet Theatre; Slot Machine Theatres; a Christmas run of shows for schools and families by Jabuti Theatre. We presented a week of family comedy performances and workshops in October as part of the Funning Things Comedy Festival, including Katie Pritchard's Hysterical Histories and Laurel and Hardy by Central Youth Theatre.

There were sold out performances by Gaz Coombes, Turin Brakes, The Wedding Present, Lucy Spraggan, Pigs X7. Club night Out of Time also regularly sold out. The best attended theatre show was Wow! It's Night Time which sold out three performances.

**Room Hire and Tenants.**

There were 2,630 room hires and theatre hires (2,310 in 2018-19). 1,677 (1,510 in 2018-19) were for the arts with 38% of these for youth arts. 13% were for fitness including yoga, 12% were for community bookings and 14% for training/corporate bookings.

We had 30 resident individual artists and groups. Over the year one resident, Fabric Rabbit, left the site. 63% were arts based groups or individuals, and 16% were community focussed.

**Cultural Partnerships**

NAC this year has worked with cultural community partners: Black Country Touring (BCT); Wolverhampton Cultural Education Partnership; Creative Black Country; Wolverhampton Venues; Wolverhampton City Council Public Health; Black Country Cultural Partnership; Wolverhampton Literature Festival; Wolverhampton for Everyone; Whitmore Reans Connect; Wolverhampton CAMRA; Third Sector Partnership; Women of Wolverhampton (WoW); Jazz at Wolverhampton; Arts Connect; Fun Palaces and Black History Month.

**Young People**

45% of bookings were youth-related. These include longstanding dance, drama, pre-school classes, young music nights and activities during the school holidays. These activities were generally run by NAC with volunteers plus weeks in the summer run by Stagecoach, ACTS and CYT.



**NEWHAMPTON ARTS CENTRE  
(Company Limited by Guarantee)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2020**

**Arts Education**

There were 26 regular activities running each week for children, young people and adults. In addition, some of our resident artists offered one-off workshops or short courses.

**Encouraging Organisational Links On Site**

We ran a number of community events that brought residents together including Paint the Day in June which saw 88 artists take to the streets around NAC. We ran the Wolverhampton Fun Palace again in October 2019 and had a great response from a wide range of organisations and the public. NAC also hosted Wolverhampton For Everyone in the cafe for regular drop-in and informal networking events.

**Inclusion**

NAC continued to work with BCT to offer a range of performances at low cost, with an emphasis on diverse themes and casting included. The Discoverers and WOW continue to provide opportunities in drama for adults with disabilities and additional needs. We supported integrated theatre company SPECTRA to premiere their new inclusive theatre show Eat The Stars at NAC before a regional tour. NAC worked offsite with Wolverhampton Libraries and Wolverhampton City Council Public Health to offer free creative activities for families at Easter and during the summer holidays as part of the Avion Centre Task Force initiative.

**Economic Viability**

The organisation continues to develop a robust financial model based on earned income from ticket sales, rent from residents, and room hires. Total income from ticket sales and theatre hires was £206,483, an increase of £48,153 from the previous year. Rental income fell slightly to £115,509 from £117,149.

**Funding**

NAC delivered its second year of a four-year National Portfolio Organisation programme funded by Arts Council England. For this programme we received £180,000 from ACE.

In addition, we raised £4,261 in donations and an additional £23,518 in other grants. Funders included Children and the Arts, Arts Connect, Jazz at Wolverhampton and Wolverhampton City Council.

**NEWHAMPTON ARTS CENTRE  
(Company Limited by Guarantee)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2020**

**Plans for Future Periods**

The impact of COVID-19 came at the very end of the financial year. For 2020-21 the Board have put in place a survival and recovery plan that (as of December 2020) will enable NAC to survive the huge restrictions placed on many of its activities and consequent loss of income from ticket sales, catering, room and theatre hire, and residents income. The organisation has taken advantage of the Coronavirus Job Retention Scheme and received emergency funding from Wolverhampton City Council and Arts Council England, as well as reducing non-essential expenditure.

NAC continues to work closely with its core funder, Arts Council England, and has been offered an extension of its existing funding agreement to March 2023, giving a degree of medium-term security.

Fundraising is focused on adapting the organisation to be able to deliver its services in different ways reflecting the new realities emerging in 2020-21 around COVID.

Despite all these challenges, cashflow and the overall business model remains sound and the Board are confident that the charity will emerge from this challenging phase well able to continue to deliver on its mission.

We will continue the positive discussions with our landlords as, with ACE funding and a longer lease, we would aim to apply for Capital Funding to improve the buildings and facilities onsite.

**NEWHAMPTON ARTS CENTRE  
(Company Limited by Guarantee)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2020**

**Financial Review**

The charity's financial position is laid out in the balance sheet and financial statements. Total funds of the charity at 31 March 2020 were £274,703 (2019: £203,197).

At the end of the year under review there were free reserves of £239,300 (2019: £187,078).

**Trustees investment powers and policy on reserves**

The trustees have power to invest and expend the funds of the charity in such a manner as they shall consider most beneficial for the achievement of the objects in accordance with the Articles of Association of the charity.

Reserves in this context constitute all funds held in cash, at the charity's bankers, or in the form of other current, medium or long term investments, which form part of the charity's unrestricted funds available for expenditure on the charity's charitable purposes.

Newhampton Arts Centre is currently dependent on earned income from renting out facilities, room hire and event income. In addition there is income from fundraising (with support from organisations such as the NACTivists), donations and, where successful, grant and funding applications to sustain its activities. The purpose of having a written reserves policy is to ensure that trustees abide by the Articles of Association of the Newhampton Arts Centre and provide information for potential funders.

The purpose of the reserves is to:

1. Provide funds for urgent priorities not covered in the annual budget such as building and equipment repair and replacement and other urgent requirements as agreed by the board.
2. Supplement annual expenditure where necessary at the end of the financial year.
3. Provide for three months running costs including all recurring predictable expenses such as salaries and benefits, utilities, rentals and ongoing professional services, to enable the charity to fulfil its debts and obligations and wind-up costs in the event of enforced closure.

The reserves should be held in an account aimed to generate a better return on funds than those available on an ordinary current account but still sufficiently flexible to be accessed to meet urgent priorities. The amount of the reserves will be calculated each financial year as part of the annual budget but will have a dynamic role and will be subject to review and adjustment in response to internal and external changes. It has been calculated that reserves of 25% of turnover would be needed to continue running for at least three months. This policy will be kept under review in relation to any changes in circumstances.

**NEWHAMPTON ARTS CENTRE  
(Company Limited by Guarantee)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2020**

**Small Company Provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report (incorporating the directors' report) was approved on 07/12/20 and signed on behalf of the board of trustees by:

A handwritten signature in black ink, consisting of a series of connected loops and strokes, positioned below the text "signed on behalf of the board of trustees by:".

**NEWHAMPTON ARTS CENTRE  
(Company Limited by Guarantee)**

**Independent Examiner's Report to the Trustees of Newhampton Arts Centre  
for the Year Ended 31 March 2020**

I report on the financial statements for the year ended 31 March 2020, which comprise the Statement of Financial Activities, the Balance Sheet, the statement of Cash Flows and the related notes.

**Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales (ICAEW).

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

**NEWHAMPTON ARTS CENTRE**  
**(Company Limited by Guarantee)**

**Independent Examiner's Report to the Trustees of Newhampton Arts Centre**  
**for the Year Ended 31 March 2020**

**Independent examiner's statement**

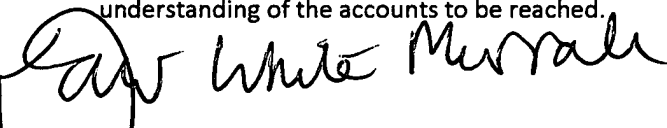
In connection with my examination, no matter has come to my attention:

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

- to keep accounting records in accordance with section 386 of the Companies Act 2006, and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met, or

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



DAW WHITE MURRALL  
Chartered Accountant

1 George Street  
Snow Hill  
Wolverhampton  
WV2 4DG

**NEWHAMPTON ARTS CENTRE**  
**(Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(including Income and Expenditure Account)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	2	4,261	-	4,261	4,307
Charitable activities					
Grants	3	180,000	23,518	203,518	181,500
Earned income	4	382,746	-	382,746	323,355
Other income	5	578	-	578	3,758
Investment income		383	-	383	511
<b>Total Income and Endowments</b>		<b>567,968</b>	<b>23,518</b>	<b>591,486</b>	<b>513,431</b>
<b>EXPENDITURE:</b>					
Charitable activities:					
Direct costs	6	124,120	7,040	131,160	75,638
Support costs	6	379,818	-	379,818	363,687
Raising funds	7	8,802	-	8,802	1,400
<b>Total Expenditure</b>		<b>512,740</b>	<b>7,040</b>	<b>519,780</b>	<b>440,725</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>55,228</b>	<b>16,478</b>	<b>71,706</b>	<b>72,706</b>
Fund balances at 1 April 2019		203,197	-	203,197	130,491
<b>TOTAL FUNDS CARRIED FORWARD AT 31 MARCH 2020</b>		<b>258,425</b>	<b>16,478</b>	<b>274,903</b>	<b>203,197</b>

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes form part of these financial statements

**NEWHAMPTON ARTS CENTRE**  
**(Company Limited by Guarantee)**

**BALANCE SHEET**  
**AT 31 MARCH 2020**

	Notes	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	10	19,125	16,119
<b>CURRENT ASSETS</b>			
Stock	11	4,388	7,726
Debtors	12	7,609	31,138
Cash at bank and in hand		273,086	197,672
		285,083	236,536
<b>CREDITORS</b>			
Amounts falling due within one year	13	(29,305)	(49,458)
<b>NET CURRENT ASSETS</b>		255,778	187,078
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		274,903	203,197
<b>FUNDS</b>			
Unrestricted funds	15	258,425	203,197
Restricted funds	16	16,478	-
<b>TOTAL FUNDS</b>		274,903	203,197

For the year ending 31 March 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board on 07/12/20 and signed on its behalf by:



The notes form part of these financial statements



**NEWHAMPTON ARTS CENTRE**  
**(Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**AT 31 MARCH 2020**

	Note s	2020 £	2019 £
Cash provided by operating activities	a	80,876	71,733
Cash flows from investing activities:			
Interest income		383	511
Purchase of tangible fixed assets		(5,846)	(8,603)
Cash provided by/(used in) investing activities		(5,463)	(8,092)
Increase/decrease in cash and cash equivalents in the year		75,413	63,641
Cash and cash equivalents at the beginning of the year	b	197,672	134,031
Cash and cash equivalents at the end of the year	b	273,085	197,672

**a Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	2020 £	2019 £
Net (expenditure)/income for the year as per the SOFA	71,706	72,706
Adjusted for:		
Depreciation	2,839	2,609
Loss on fixed asset disposals	-	-
Investment income	(383)	(511)
(Increase)/decrease in stock	3,338	(2,115)
(Increase)/decrease in debtors	23,529	(6,571)
Increase/(decrease) in creditors	(20,153)	5,615
Net cash provided by operating activities	80,876	71,733

**b Analysis of cash and cash equivalents**

	2020 £	2019 £
Cash at bank and in hand	273,086	197,672

**NEWHAMPTON ARTS CENTRE  
(Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**1. ACCOUNTING POLICIES**

**1.1 General Information**

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Dunkley Street, Wolverhampton, West Midlands, WV1 4AN.

**1.2 Statement of Compliance**

These financial statements have been prepared in compliance with the 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 from 1st January 2015 - Charities SORP (FRS 102) and the Companies Act 2006.

**1.3 Accounting Policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

**Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have 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.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Funds accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future projects or commitments.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

**NEWHAMPTON ARTS CENTRE**  
**(Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**Income**

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

**Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, ~~non-charitable trading activities, and the sale of donated goods.~~
- expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support cost and costs relating to the governance of the charity.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

**NEWHAMPTON ARTS CENTRE**  
**(Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**Tangible fixed assets**

All fixed assets are initially recorded at cost and subsequently stated at cost less any accumulated depreciation. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	10% straight line
Equipment	10% straight line
Computer equipment	33% straight line

**Impairment of fixed assets**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the statement of financial activities.

**Financial instruments**

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including creditors and loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

**Stock**

Stock is included at the lower of cost or net realizable value.

**Pensions**

Defined pension contributions payable to the charity's pension scheme are charged to the statement of financial activities in the period to which they relate.

**NEWHAMPTON ARTS CENTRE**  
**(Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020.**

**2. DONATIONS AND LEGACY INCOME**

	Unrestrict ed Funds £	Designat ed Funds £	Restrict ed Funds £	Total 2020 £	Total 2019 £
Fundraising and donations	4,261	-	-	4,261	4,307
	4,261	-	-	4,261	4,307

**3. GRANTS RECEIVABLE**

	Unrestrict ed Funds £	Designat ed Funds £	Restrict ed Funds £	Total 2020 £	Total 2019 £
The Co-op	-	-	7,518	7,518	-
Children & the Arts/StartArt	-	-	15,000	15,000	-
Arts Council England	180,000	-	-	180,000	180,000
Wolverhampton University	-	-	-	-	1,500
Inner Wheel	-	-	1,000	1,000	-
	180,000	-	23,518	203,518	181,500

**4. EARNED INCOME**

	Unrestrict ed Funds £	Designat ed Funds £	Restrict ed Funds £	Total 2020 £	Total 2019 £
Rental income	115,509	-	-	115,509	117,149
Theatre and room hire	128,144	-	-	128,144	104,155
Show income	78,339	-	-	78,339	54,175
Workshop income	1,048	-	-	1,048	2,002
Bar and vending machine income	59,706	-	-	59,706	45,874
	382,746	-	-	382,746	323,355

**5. OTHER INCOME**

	Unrestrict ed Funds £	Designat ed Funds £	Restrict ed Funds £	Total 2020 £	Total 2019 £
Miscellaneous income	578	-	-	578	3,758

578	-	-	578	3,758
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**NEWHAMPTON ARTS CENTRE**  
**(Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**6. COST OF OPERATION OF THE ARTS CENTRE**

	Unrestrict ed Funds £	Designate d Funds £	Restrict ed Funds £	Total 2020 £	Total 2019 £
<b>Direct Costs</b>					
Show costs	68,132	-	-	68,132	30,060
Workshops	12,974	-	7,040	20,014	7,865
Catering and bar	37,810	-	-	37,810	34,487
Printing and publicity	5,204	-	-	5,204	3,226
	124,120	-	7,040	131,160	75,638
<b>Support Costs</b>					
Staff costs	242,229	-	-	242,229	207,080
Training and recruitment	1,204	-	-	1,204	919
Office costs and administration	2,348	-	-	2,348	4,679
Rent	10,000	-	-	10,000	10,000
Rates and water	10,831	-	-	10,831	10,414
Light and heat	25,743	-	-	25,743	25,779
Insurances	2,469	-	-	2,469	1,803
Maintenance of premises	25,895	-	-	25,895	47,516
Cleaning	41,887	-	-	41,887	38,458
Licenses and affiliations	4,075	-	-	4,075	(1,615)
Telephone and broadband	1,311	-	-	1,311	1,239
Travel and entertaining	409	-	-	409	58
Bank and credit card charges	829	-	-	829	727
Miscellaneous expenses	4,365	-	-	4,365	10,026
Legal and professional fees	316	-	-	316	595
Accounting fees	3,068	-	-	3,068	3,400
Depreciation	2,839	-	-	2,839	2,609
	379,818	-	-	379,818	363,687
<b>Total Operational Costs</b>	<b>503,938</b>	<b>-</b>	<b>7,040</b>	<b>510,978</b>	<b>439,325</b>

**7. FUNDRAISING**

	Unrestrict ed Funds £	Designate d Funds £	Restrict ed Funds £	Total 2020 £	Total 2019 £
Fundraising expenses	8,802	-	-	8,802	1,400

8,802	-	-	8,802	1,400
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**NEWHAMPTON ARTS CENTRE**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**8. TAX ON ACTIVITIES**

The company is a registered charity and as such is not liable for taxation on any surplus in the year.

**9. STAFF COSTS**

	2020	2019
	£	£
Wages and salaries	223,089	191,173
Employers national insurance	13,198	11,241
Employers pension contributions	5,942	4,666
	<u>242,229</u>	<u>207,080</u>

No staff member received remuneration in excess of £60,000 (2019: none).

During the year the charity paid pension contributions totalling £5,942 (2019: £4,666) into the defined contribution group personal pension scheme.

The key management personnel comprise the members of the Management Team. The total amount of employee benefits (including employer pension contributions) received by the management team for their services to the charity for the year was £63,935 (2019: £66,729).

The trustees did not have any expenses reimbursed during the year (2019 - nil).

**NEWHAMPTON ARTS CENTRE**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**10. TANGIBLE FIXED ASSETS**

	Fixtures and Fittings £	Equipment £	Computer Equipmen t £	Total £
<b>Cost</b>				
At 1 April 2019	45,400	6,113	7,129	58,642
Additions	5,287	-	559	5,846
Disposals	-	-	-	-
<b>At 31 March 2020</b>	<b>50,687</b>	<b>-</b>	<b>7,688</b>	<b>64,488</b>
<b>Depreciation</b>				
At 1 April 2019	29,537	6,113	6,873	42,523
Charge for the year	2,584	-	256	2,840
<b>At 31 March 2020</b>	<b>32,121</b>	<b>-</b>	<b>7,129</b>	<b>45,363</b>
<b>Net Book Value</b>				
At 31 March 2020	18,566	-	559	19,125
At 31 March 2019	15,863	-	256	16,119

**11. STOCK**

	2020 £	2019 £
Bar	3,088	6,213
Vending machine	1,300	1,513
	<b>4,388</b>	<b>7,726</b>

**12. DEBTORS**

	2020 £	2019 £
Trade debtors	5,140	19,906
Other debtors and prepayments	2,469	11,232
	<b>7,609</b>	<b>31,138</b>

**NEWHAMPTON ARTS CENTRE**  
**(Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**13. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade creditors	10,621	22,651
Taxes and social security costs	1,748	3,466
Other creditors and accruals	16,936	23,341
	<u>29,305</u>	<u>49,458</u>

**14. PENSION COMMITMENTS**

The charity operates a defined contribution pension scheme in respect to employees. Contributions are charged in the statement of financial activities as they fall due and amount in the year to £11,250 (2019: £7,280). At the balance sheet date there were outstanding contributions of £1,402 (2019: £660).

**15. UNRESTRICTED FUNDS OF THE CHARITY**

	General Fund £
Balance at 1 April 2019.	203,197
Movement in funds for the year	<u>55,228</u>
Balance at 31 March 2020	<u>258,425</u>

**NEWHAMPTON ARTS CENTRE**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**16. RESTRICTED FUNDS**

	Balance at 1 April 2019 £	Incoming Resources £	Resources Expended £	Transfers Between Funds £	Balance at 31 March 2020 £
The Co-op	-	7,518	(1,485)	-	6,033
StartArt	-	15,000	(4,555)	-	10,445
Inner Wheel	-	1,000	(1,000)	-	-
	-	23,518	(7,040)	-	16,478

**The Co-op**

Support for a pilot programme of work in the NAC cafe with vulnerable groups.

**Children & the Arts/StartArt**

Support for a programme of arts activities with five primary schools in Wolverhampton (West Park, Dunstall Hill, St Michael's, St Peter and St Paul, St Andrews).

**Inner Wheel**

Support for a programme of work with adults living with dementia and their carers.

**17. ANALYSIS OF RESERVES**

	Restricted Funds £	Designated Funds £	Unrestricted Funds £	Total £
Fixed assets	-	-	19,125	19,125
Net current assets	16,478	-	239,300	255,778
Total	16,478	-	258,425	274,903