

SHERBORNE ARTS TRUST

COMPANY REGISTRATION NUMBER: 07087384

REGISTERED CHARITY NUMBER: 1136505

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2017

**LANHAM & FRANCIS
CHARTERED ACCOUNTANTS
CHURCH HOUSE
CHURCH STREET
YEOVIL
SOMERSET**



SHERBORNE ARTS TRUST
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2017

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The following pages do not form part of the statutory financial statements

Detailed income and expenditure account

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SHERBORNE ARTS TRUST
COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2017
TRUSTEES AND DIRECTORS

GENERAL SIR ROBERT A FRY KCB CBE MR C J MITCHELL
MR T C D SHAW

COMPANY REGISTERED NUMBER

07087384

CHARITY REGISTERED NUMBER

1136505

REGISTERED OFFICE

ALEXANDRA HOUSE
ST JOHN'S STREET
SALISBURY
WILTS
SP1 2SB

REPORTING ACCOUNTANTS

LANHAM & FRANCIS
CHARTERED ACCOUNTANTS
CHURCH HOUSE
CHURCH STREET
YEOVIL
SOMERSET
BA20 1HB

SHERBORNE ARTS TRUST
DIRECTORS REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2017

The directors who are also trustees of the charity, present their report and the financial statements for the year ended 30th November 2017.

The company is limited by guarantee.

The Company is governed by the Memorandum and Articles of Association drawn up on its incorporation and by the Statement of Recommended Practice – 2015 and Financial Reporting Standard 102 Accounting and Reporting by Charities.

CHARITABLE OBJECTS

The objects for which the Charity is established (the "Objects") are to promote, and to advance the education of the public in the arts, in particular, but not exclusively by :-

1. Establishing and maintaining an arts centre, gallery and exhibition space;
2. Promoting and advancing the participation and education of the general public in the arts; and
3. Fostering and promoting for the benefit of the public the improvement and development of artistic knowledge, understanding and appreciation of the arts.

RECRUITMENT AND APPOINTMENT OF COUNCIL OF MEMBERS

The directors of the company are also Charity Trustees. Under the requirements of the Memorandum and Articles of Association, trustees are elected by full members at the Annual General Meeting.

All trustees must retire at the first Annual General Meeting and thereafter one third of the trustees has to retire from office annually and shall be eligible for re-election.

The Council of Management may co-opt additional Trustees during the year but such trustees must stand for election at the next Annual General Meeting.

Full members are those who have been approved by the trustees and have fully paid their annual subscriptions. The trustees may establish classes of membership with different rights and obligations.

Each full member, including the trustees, is liable to a contribution of £1 in the event of the charity winding up.

TRUSTEES' INDUCTION AND TRAINING

Under induction and training procedures both existing and new trustees are advised to study the Charity Commission's online document CC3 - The Essential Trustees: What You Need to Know. The charity provides access to training courses and seminars for individual trustees where this is deemed to be of benefit to the charity.

SHERBORNE ARTS TRUST
DIRECTORS' REPORT
FOR THE PERIOD ENDED 30 NOVEMBER 2017
(CONTINUED)

ORGANISATIONAL STRUCTURE

The trustees administer the charity and may call a general meeting at any time generally on an Ad Hoc basis.

The trustees administer the charity and are not permitted to receive any remuneration for so doing.

ACHIEVEMENT AND PERFORMANCE

During the year a significant potential benefactor has been associated with the Trust. It is hoped that this will lead to further funds, and significant headway with the construction of a community arts building in Sherborne. Professional fees and other costs associated with the project arose during the year, and grants were received from the benefactor to cover them.

The trustees continue to work with the town, district and county councils regarding the development and all agencies are working together to find a collectively beneficial outcome.

HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT

The facilities we intend to create will benefit Sherborne and North Dorset by the provision of arts and gallery facilities that are currently unavailable within the area. We continue to review our aims and objectives in the light of the Charity Commission's general guidance.

FINANCIAL REVIEW

The Trustees keep all the charity's activities under constant review to ensure that their objectives are being delivered.

The capital costs of the project are being met through the generosity of a benefactor. During the year, unrestricted funds of £83,478 were received from the benefactor to cover the costs of the project. The expenditure during the year of £83,795 relates to professional fees, planning and the costs associated for the public consultation.

A small deficit (£281) was recorded during the year, reducing the unrestricted reserves to £9,524. This relates to the insurance costs which it has been agreed with the donor could be paid by the utilisation of the restricted fund.

SHERBORNE ARTS TRUST
DIRECTORS' REPORT
FOR THE PERIOD ENDED 30 NOVEMBER 2017
(CONTINUED)

DIRECTORS AND TRUSTEES

The directors and trustees of the company during the year were as follows:-

Mr J S Baker
Mr I D Dodds CA
Mr A E Browne

Mr J E Buckley FCA
General Sir Robert Fry
Ms J E R Smith

In accordance with the Memorandum and Articles of Association,

The company is limited by guarantee and therefore the directors have no shareholdings. They are all members of the charity and are therefore all liable to £1 contribution upon the charity's winding up.

RESERVES POLICY

The capital costs of the new art gallery is being met through the generosity of an individual benefactor. This has been a significant and very welcome development and means that the Trustees can concentrate on developing the business model for the gallery when it opens (2020) to ensure that the business is financially viable and the unrestricted reserves will be sufficient to cover six months operational costs within three to five years.

RISK POLICY

The major risks to which the charity is exposed have been discussed by the trustees and are regularly reviewed to ensure systems are in place to manage them.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial period which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period.

In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

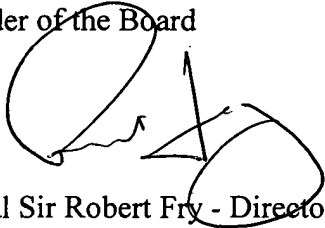
- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgments and estimates that are reasonable and prudent
- (c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements and
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation

SHERBORNE ARTS TRUST
DIRECTORS' REPORT
FOR THE PERIOD ENDED 30 NOVEMBER 2017
(CONTINUED)

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with applicable law. They are also responsible for safekeeping the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and irregularities.

The directors' report is prepared in accordance with special provisions of the Companies Act 2006 applicable to small companies.

By Order of the Board

A handwritten signature in black ink, appearing to be 'General Sir Robert Fry', written over a circular stamp or seal.

General Sir Robert Fry - Director

21/9/18

**ACCOUNTANTS' REPORT TO THE MEMBER ON THE AUDITED FINANCIAL
STATEMENTS OF SHERBORNE ARTS TRUST**

We report on the financial statements for the year ended 30th November 2017 set out on the following pages.

Respective responsibilities of trustees and reporting accountants

As described in the previous pages the company's directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion

- (a) the financial statements are in agreement with the accounting records kept by the company under Sections 386 and 387 of the Companies Act 2006;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - i. the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Sections 394 and 395 of the Act; and
 - ii. the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in Section 477 of the Act.


REPORTING ACCOUNTANTS

Lanham & Francis
Church House
Church Street
Yeovil
Somerset
BA20 1HB

Date: 24/9/18

SHERBORNE ARTS TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 NOVEMBER 2017

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	NOTE	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Income and Endowments from:					
Donations and Grants	2	83,476	-	83,476	5,427
Other Income	2	2	-	2	10
Total Income		<u>83,478</u>	<u>-</u>	<u>83,478</u>	<u>5,437</u>
 Expenditure on:					
Charitable Activities	3	80,018	-	80,018	-
Other	3	3,741	-	3,741	5,740
Total Expenditure		<u>83,759</u>	<u>-</u>	<u>83,759</u>	<u>5,740</u>
Net (Expenditure)		<u>(281)</u>	<u>-</u>	<u>(281)</u>	<u>(303)</u>
Transfers between Funds	8	281	(281)	-	-
 Reconciliation in Funds					
Total Fund brought forward		<u>-</u>	<u>9,805</u>	<u>9,805</u>	<u>10,108</u>
Total Funds carried forward		<u>-</u>	<u>9,524</u>	<u>9,524</u>	<u>9,805</u>

SHERBORNE ARTS TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 NOVEMBER 2017

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

SOFA YEAR ENDED 30 NOVEMBER 2016

	NOTE	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Income and endowments from:					
Donations and Grants	2	5,427	-	5,427	-
Other Income		10	-	10	13
Total Incoming Resources		<u>5,437</u>	<u>-</u>	<u>5,437</u>	<u>13</u>
Expenditure on:					
Other	3	5,740	-	5,740	272
Total Expenditure		<u>5,740</u>	<u>-</u>	<u>5,740</u>	<u>272</u>
Net (Expenditure)		<u>(303)</u>	<u>-</u>	<u>(303)</u>	<u>(259)</u>
Transfers between Funds		<u>195</u>	<u>(195)</u>	<u>-</u>	<u>-</u>
Reconciliation in Funds					
Total Fund brought forward	8	108	10,000	10,108	10,367
Total Funds carried forward		<u>-</u>	<u>9,805</u>	<u>9,805</u>	<u>10,108</u>

SHERBORNE ARTS TRUST
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 2017

	Unrestricted £	Restricted £	2017 £	2016 £
Gross income of continuing activities	83,478	-	83,478	5,437
Total expenditure of continuing activities	(83,759)	-	(83,759)	(5,740)
NET INCOME FOR THE PERIOD	<u>(281)</u>	<u>-</u>	<u>(281)</u>	<u>(303)</u>

Detailed analyses of the expenditure are provided in the Statement of Financial Activities and the notes on following pages.

Registered Number 136505
SHERBORNE ARTS TRUST
BALANCE SHEET AS AT 30 NOVEMBER 2017

	Note	£	2017 £	2016
CURRENT ASSETS				
Debtors	5	8,251	438	
Cash at bank and in hand		<u>8,777</u>	<u>13,867</u>	
			17,028	14,305
CREDITORS	6		(7,504)	(4,500)
NET CURRENT ASSETS			<u>9,524</u>	<u>9,805</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,524</u>	<u>9,805</u>
CAPITAL AND RESERVES				
Restricted funds	8		9,524	9,805
Unrestricted funds			<u>-</u>	<u>-</u>
			<u>9,524</u>	<u>9,805</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 30th June 2017.

The members have not required the company to obtain an audit of its financial statements for the period ended 30th June 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

a) ensuring that the company keeps accounting records which 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 company as at the end of each financial year and of its profit or loss 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 company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standards for Smaller Entities (effective April 2008).

ON BEHALF OF THE BOARD:


General Sir Robert Fry - Director

Approved by the Board on:

21 Sep 2018

SHERBORNE ARTS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

1 ACCOUNTING POLICIES

Charity Status

The charity is a company limited by guarantee and consequently does not have any share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

Basis of Preparation

Sherborne Arts Trust meets the classification of a public benefit entity under FRS102. Assets and liabilities are initially recognised as historical cost or transaction value unless otherwise stated on the relevant accounting policy notes.

Going Concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Accounting Convention

These financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) (effective 1 January 2015) and the Companies Act 2006.

Incoming Resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Donations made under the Gift Aid scheme are recognised when received. The amount recoverable from HMRC is accrued for at that point. Donations received are reported net of bank transaction charges.

Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred. Some items of expenditure are inclusive of VAT, which cannot be recovered and is reported as part of the expenditure to which it relates:

The cost of generating funds comprises the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services to its members and general public. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

SHERBORNE ARTS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

Volunteers

The value of service provided by volunteers is not incorporated into these financial statements.

Restricted Funds

This relates to amounts donated for specific purposes and is written off as and when it is utilised for the specific purpose intended.

Unrestricted Funds

This relates to amounts received for general purposes and is utilised for the general running costs of the company as required.

Liabilities

Liabilities are accounted for in the period to which they relate.

Financial Instruments

Classification

Financial instruments are classified as either basic financial instruments or other financial instruments. The accounting treatment varies according to the classification.

Basic financial instruments are defined as one of the following:

- cash
- a debt instrument (such as accounts receivable and payable)
- commitment to receive a loan that satisfy certain criteria
- investments in non-convertible preference shares, and non puttable ordinary shares.

All other financial instruments are classed as other financial instruments and treated accordingly.

Recognition and measurement

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

SHERBORNE ARTS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

2 INCOMING RESOURCES

DONATIONS AND GRANTS

	Unrestricted £	Restricted £	2017 £	2016 £
Grants	83,476	-	83,476	5,427
	<u>83,476</u>	<u>-</u>	<u>83,476</u>	<u>5,427</u>

3 TOTAL RESOURCES EXPENDED

	Other £	Charitable Activities £	2017 £	2016 £
Costs directly related to activities				
Public Consultation		5,095	5,095	-
Advertising and promotion		1,861	1,861	-
Support costs allocated to activities				
Website costs	-	3,134	3,134	33
Planning and survey fees	-	60,088	60,088	-
Travel and subsistence	460	-	460	-
Insurance	281	-	281	280
Legal fees	-	9,840	9,840	5,427
Accountancy fees	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>-</u>
	<u>3,741</u>	<u>80,018</u>	<u>83,759</u>	<u>5,740</u>

4 NET INCOME RESOURCES FOR THE YEAR

This is stated after charging:	2017 £	2016 £
Directors' remuneration	-	-
Accountants' remuneration	3,000	-
	<u>3,000</u>	<u>-</u>

The Trustees did not receive any remuneration.

Number of Trustees paid expenses	0	0
Total amount paid	<u>£ 0</u>	<u>£ 0</u>

SHERBORNE ARTS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

	2017	2016
5. DEBTORS		
Other debtors	<u>8,251</u>	<u>438</u>

6 CREDITORS falling due within 1 year

Accruals and deferred income	<u>7,504</u>	<u>4,500</u>
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7 RELATED PARTY TRANSACTIONS

There were no Related Party Transactions during the year.

8 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Current assets	7,504	9,524	17,028
Less creditors	(7,504)	-	(7,504)
	<hr/>	<hr/>	<hr/>
Net assets as at 30 th June 2017	-	9,524	9,524
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

9 FUND MOVEMENTS

	30/6/2016	Movement	Transfers	30/6/17
	£	£		£
Unrestricted Reserves	0	(281)	281	0
Restricted Reserves	9,805	0	(281)	9,524
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

SHERBORNE ARTS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017

10 RESTRICTED FUNDS

PURPOSE OF RESRICTED FUNDS

Simon Digby (Sherborne) Memorial Trust

To build an access
road to the site of the
community arts centre