

Company number: 08117915

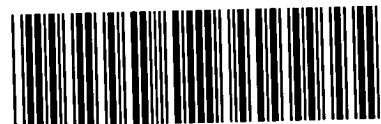
Charity Number: 1149979

# The Audience Agency

Group report and financial statements

For the year ended 31st March 2019

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The Audience Agency  
Reference and administrative information  
for the year ended 31<sup>st</sup> March 2019

**Company number** 08117915

**Charity number** 1149979

**Registered office and operational address** Green Fish Resource Centre  
46-50 Oldham Street  
Manchester  
M4 1LE

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

M Locke	Chair (appointed 12 June 2019)
S Parker	Vice Chair
G Collinge	
T Hornsby	
A Rivett	
R Tomlinson	
R Sidhu	
B Walmsley	

No trustees held title to property belonging to the charity during the reporting period or at the date of approval.

<b>Key management</b>	Anne Torreggiani	Chief Executive
<b>personnel</b>	Cimeon Ellerton	Chief Operating Officer
	Richard Turpin	Chief Research Officer

**Bankers** CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

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for the year ended 31<sup>st</sup> March 2019

**Solicitors**

Primas Law  
The Whitehouse  
Wilderspool Business Park  
Greenalls Avenue  
Stockton Heath  
WA4 6HL

**Auditors**

Slade & Cooper Limited  
Greenfish Resource Centre  
46-50 Oldham St  
Manchester  
M4 1LE

**The Audience Agency**  
**Trustees' annual report**  
**for the year ended 31<sup>st</sup> March 2019**

The trustees present their report and the audited financial statements for the year ended 31<sup>st</sup> March 2019. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## **Objectives and activities**

### **Purposes and aims**

The Company has been established to:

- promote the effective use of the resources by charitable and non-charitable bodies for the charitable purpose of the promotion of the arts for public benefit by:
  - the provision of advice, training and information to foster and promote the maintenance, improvement and development of awareness, knowledge, understanding and appreciation of the arts; and/or
  - the provision of support services to improve and advance education by the encouragement of the arts and assist in promoting and advancing the practice, presentation, production and study of all forms of the arts; and/or
  - the provision of other assistance which is designed to increase the quality and level of public access to the arts and to develop expertise and good practice in relation to this; and/or
  - to further such other charitable purposes consistent with the above as the Trustees in their absolute discretion shall determine (together the "Objects").

### **Ensuring our work delivers our aims**

The Audience Agency continues to review its services and business to ensure that it continues to maximise our public benefit by delivering a range of appropriate support services to arts organisations. During 2018/19, we introduced new "user-centred design" processes to ensure arts organisations' needs and requests are fed into the ongoing development of our services.

We review impact and progress as a Board throughout the year, using the Charity Commission's general guidance on public benefit as a benchmark for the relevance and impact of our work. We invest extensively in capturing user feedback, and acting upon it.

### **How our activities deliver public benefit**

We enable organisations in the cultural sector to engage larger and more diverse audiences, with the ultimate objective to widen public access and increase the nation's participation in the arts and other cultural activities.

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We believe that excellent audience insight, clear-sighted strategy and co-operation between cultural organisations are essential to successful audience development at the organisational and collective levels. In our current business plan, our key activities centre on enabling *cultural organisations to use our national data to increase their relevance, reach and resilience*. This furthers our charitable purpose and mission to *transform the relationship between the arts and audiences, for the health of the arts sector, and the public good*.

Each year we develop our services and activities in pursuit of this mission, in line with new evidence of the changing needs of both the public and the sector, and the emerging challenges faced by arts organisations. We continue to serve a community of over 90% charities, whose objects and organisational resilience we actively support.

Our services include: audience and community research, advice developing engagement strategies and training. Complementary to these services, we also provide the unique, world-first "Audience Finder" service – sharing audience data from over 700 cultural organisations and making the data-sets widely available and practically applicable through software and analytics which encourage a data and evidence-driven approach to providing cultural services. Together these activities help organisations and policy-makers to tackle a wide variety of barriers to the arts and culture – such as financial affordability, social inequality and other socio-economic factors. We also support charities to be more resilient, using their assets more effectively to become financially stable. The charity is highly focused on delivering these benefits.

This year, we have increased our focus on understanding and increasing the social impact of cultural participation, on enabling "audience focused" collaboration and on using data to increase the effectiveness of these and many other engagement strategies.

The Trustees review the aims, objectives and activities of the charity each year, to ensure it remains focused on its core purpose and on track in terms of delivering an effective strategy to that end. This documents the charity's achievements and the outcomes of its work in the reporting period.

## **Achievements and performance**

Last year and this, The Audience Agency increased its funding base and the number of clients and partners with whom it works. With new resources and expectations, during 2018/19 we set out to understand how we should futureproof our services and especially our technical data solutions with a view to major developments in 2019/20.

### **Beneficiaries of our services**

The majority of our work directly supports cultural organisations to engage more effectively with the general public. We provided a resource or service to over 1200 cultural organisations in the period. We remain committed to being accessible to the widest variety of arts and cultural organisations, and developed our business model to enable us to subsidise affordable services to smaller charities and those with limited resources, while still making an impact on the largest cultural institutions in England with the biggest audience reach. We continue to work with theatres, concert halls, arts centres, performing arts companies, galleries, orchestras, outdoor festivals and site specific producers, participatory arts, museums, heritage organisations and local authorities. We significantly increased the number of partnerships with other sector support organisations. We made a particular point to support the work of others seeking to increase access and widen participation – such as disabled-led organisations, those promoting diversity, and grass-roots community initiatives.

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### **Key developments for 2018/19**

During 2018/19 we focused on insight, evaluation and learning to support place-based partnerships – such as working with the London Borough of Culture. We explored new trends and practice to foster cultural democracy, including working with many in the Creative People and Places networks, services and content promoting greater community involvement.

We worked with the sector to understand attitudes towards – and confidence in – using data to help us plan our own Audience Finder technical service and support. We also used this insight to improve sector infrastructure and policy, such as piloting ways of working for the Department for Culture, Media and Sport in response to the *Culture Is Digital* report. We extended the Audience Finder data-sharing community into Wales and Scotland, winning additional funding to do so.

We also established a new trading subsidiary offering professional services in business model innovation and digital transformation, and drawing on expertise from beyond the cultural sector. Together with researchers from the charity team, the subsidiary produces the *What Is Resilience Anyway* research and report, a key piece of thought-leadership commissioned by Arts Council England.

### **Financial review**

The overall performance in this financial year was encouraging, with a small increase in surplus demonstrating early progress of the new business plan launched in 2018. This introduced a new revenue plan, increasing earned income from consultancy and premium products, to support an increase in the quality and scope of free services under the Audience Finder programme. A four-year funding commitment from Arts Council England – supporting Audience Finder and recognising The Audience Agency as a Sector Support organisation – came in to play in April 2018. It is a keystone of the business plan.

While reserves at year-end have not been rebuilt to the levels pre-2017/18 – the year in which The Audience Agency experienced a significantly reduced level of public funding – a small surplus has nevertheless improved the situation.

During 2018/19, we continued to invest in development of the Audience Finder platform in line with funding requirements. Developments were capitalised to recognise their use beyond this particular financial year.

### **Reserves policy**

The Board's policy on reserves is to target a reserve level which is equal to three months' projected fixed costs (fixed costs being rent, rates and other running, but not activity costs). This target level of reserves should be free reserves, or money readily realisable, so should not include fixed assets. For clarity, on each balance sheet report, this will be calculated as Total Assets, Less Current Liabilities, minus Fixed Assets. Where the target level of reserves has been reached, the Board would seek to reinvest those surplus funds in the following financial year, to support the development of our offer to the sector.

The Board recognises that the target remains challenging. At the period end total unrestricted reserves was £370,212 which was made up of £233,562 of fixed assets and £164,217 of free reserves. Our most recent calculation is that three months' running costs would be approximately £500k. Therefore, at this stage this leaves the organisation below its target level. Whilst funds could have been repurposed to increase existing free reserves during the year, the organisation instead invested in establishing a

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**Trustees' annual report**  
**for the year ended 31<sup>st</sup> March 2019**

stable data and analytics platform as the foundation of the business plan, driving future revenues. This approach represents the best opportunity to build the level of reserves sustainably over the period of the 4-year Business Plan. The priority of the Board and Executive is to return reserves to target levels by 2021. The Plan shows a steady but realistic increase in surplus, through a combination of revenues, monetising new data assets and software in the UK and internationally, and an increase in grant funding, including 2 new funders, Arts Council Wales and Creative Scotland from April 2019. In the meantime, Trustees will support the Executive in continuing robust management of all operational budgets and appropriate scrutiny of plans.

## **Plans for the future**

Our performance in 2018/19 coupled with successful bids for additional funds from the arts funding bodies in Scotland and Wales from April 2019 shows progress and inspires confidence in the strategy and business plan for 2018-22. This sets out a plan to grow revenue, margin and impact by:

- investing in our data platform, support and technical capabilities as key and unique assets of the organisation;
- sale of newly developed or enhanced data products and services, invested in during 18/19
- building new partnerships in the UK and internationally to extend the revenue, potential and functionality of Audience Finder
- developing our product offer through user-centred design to increase value and engagement for users of all abilities;
- building on positive trends, refining the bespoke offer and fit to support growth in high value and high impact consulting that delivers our purpose and mission;
- sophisticated and frequent marketing and communications with stakeholders that will cement our unique brand and positioning;
- developing the trading subsidiary to open new areas of financing, new work in adjacent markets and new income streams through the development of a commercial offer
- supporting staff through more frequent training, learning and social opportunities to build on the commitment and social purpose of our staff.
- building new partnerships in the UK and internationally to extend the revenue, potential and functionality of Audience Finder

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## **Structure, governance and management**

### **Governing document**

The Charity is controlled by its governing document, Memorandum and Articles of Association and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Audience Agency was incorporated as a company limited by guarantee on 25 June 2012. The company received charitable status with the Charity Commission on 29 November 2012. Its Memorandum and Articles of Association govern its affairs and in the event of the company being wound up the maximum amount that each member is liable to contribute is £1.

### **Company status**

The company is limited by guarantee and all members have agreed to contribute a sum not exceeding £1 in the event of a winding-up. The number of guarantees at 31<sup>st</sup> March 2019 was 8.

### **Recruitment and appointment of trustees**

We operate an equal opportunities policy for staff and director recruitment. We have an open recruitment process whereby we advertise widely across volunteering agency websites, and other specialist recruitment websites.

### **Induction and training of trustees**

All trustees are inducted through information packs detailing our work and their legal obligations, duties and liabilities to the company and as a consequence of being charity directors. A formal induction meeting takes place for each new trustee. Board procedures provide that all trustees are welcome to attend training and events as appropriate. Members of staff are shadowed with appropriate directors where beneficial to allow for information exchange, this also allows the trustee to understand our work in greater detail. There is a budget that supports director training should they wish to obtain specific training to enhance their ability to govern the charity.

### **Organisational structures**

The structure of the organisation is reviewed annually by the Board, more frequently when required. It was significantly developed during 2018 with the support of an external consultant to create three clear and mutually beneficial business units optimised for different purposes: the research and consulting unit, the digital platform and software delivery unit, and – as the trading subsidiary, “Golant Innovation” an innovation and digital transformation agency. The Board, in conjunction with the Executive, continues to review its governance role, and how it can most effectively support the development of the organisation. The Finance Sub-committee continues to play an active role in financial governance, which in turn allows the full Board to operate in a more strategic way.



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**Related parties and relationships with other organisations**

The organisation maintain a register of interest for members of Board and Senior Management Team. Any potential conflict of interest is checked ahead of any Board, or Senior Management meeting. Related party transactions are detailed in the notes. Whilst a full register is kept, only items which are deemed material are reported. For example two trustees are on Arts Council England Boards, but none of these trustees are in a position of influence in respect of the contracts we have with these organisations, and any discussions at Board level where a potential conflict of interest could arise are handled appropriately. The Audience Agency Services Limited is a wholly owned trading subsidiary of The Audience Agency.

**Remuneration policy for key management personnel**

The Board, directly and through its Finance Sub-committee, review all pay for staff of the organisations, and directly sets salaries for the key personnel. Benchmarking against similar organisations is considered as part of this process to ensure that levels set are appropriate.

**Risk management**

The organisation maintains a risk register which is monitored by both the Finance Sub-committee and the full board. The risk register is reviewed quarterly by the Finance Sub-committee and bi-annually by the full Board. This risk register provides the management team with a structure with which to manage the identified risks, and the Board with a tool to monitor the management of these risks.

**Funds held as custodian trustee on behalf of others**

The Audience Agency does not hold funds as a custodian trustee on behalf of others.

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**Trustees' annual report**  
**for the year ended 31<sup>st</sup> March 2019**

**Statement of responsibilities of the trustees**

The trustees (who are also directors of The Audience Agency for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- 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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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for the year ended 31<sup>st</sup> March 2019

**Auditors**

Slade & Cooper Ltd were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' annual report has been approved by the trustees on 19<sup>th</sup> December 2019 and signed on their behalf by



Matt Locke

Chair

**Independent auditors' report**  
**to the members of**  
**The Audience Agency**

**Opinion**

We have audited the financial statements of The Audience Agency (the 'parent charitable company') and its subsidiary for the year ended 31 March 2019, which comprise the Consolidated Statement of Financial Activities (including the income and expenditure account), the Balance Sheets of the group and the parent charitable company, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2019, and of the group's 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 and the Charities Act 2011.

**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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and 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 group's or parent 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 trustees' annual report, other than the financial statements and our auditor's report 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.

**(continued)**

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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 8, 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.

**(continued)**

In preparing the financial statements, the trustees are responsible for assessing the group's and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's 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 an auditor's report 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's 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 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's 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.

*Catherine Hall*

Catherine Hall FCCA DChA

Senior Statutory Auditor

*for and on behalf of*

Slade & Cooper Limited  
Statutory Auditors  
Green Fish Resource Centre  
46-50 Oldham Street  
Manchester  
M4 1LE

Date: *13<sup>th</sup> February 2020*

Slade & Cooper Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Audience Agency  
Consolidated Statement of Financial Activities  
(including Income and Expenditure account)  
for the year ended 31 March 2019

	Note	Unrestricted funds £	Restricted funds £	Total funds 2019 £	Total funds 2018 £
<b>Income from:</b>					
Charitable activities:	3				
Advice & Assistance		1,556,600	805,520	2,362,120	1,965,316
Other trading activities	4	138,382	-	138,382	257,985
Other income	5	7,067	-	7,067	100,000
<b>Total income</b>		<b>1,702,049</b>	<b>805,520</b>	<b>2,507,569</b>	<b>2,323,301</b>
<b>Expenditure on:</b>					
Raising funds	6	164,999	-	164,999	259,300
Charitable activities:	7				
Advice & Assistance		1,418,228	814,580	2,232,808	2,175,587
<b>Total expenditure</b>		<b>1,583,227</b>	<b>814,580</b>	<b>2,397,807</b>	<b>2,434,887</b>
<b>Net income/(expenditure) for the year</b>	9	<b>118,822</b>	<b>(9,060)</b>	<b>109,762</b>	<b>(111,586)</b>
Transfer between funds		(79,772)	79,772	-	-
<b>Net movement in funds for the year</b>		<b>39,050</b>	<b>70,712</b>	<b>109,762</b>	<b>(111,586)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		331,162	(79,772)	251,390	362,976
<b>Total funds carried forward</b>		<b>370,212</b>	<b>(9,060)</b>	<b>361,152</b>	<b>251,390</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The Audience Agency  
Company number 8117915


Balance Sheets  
as at 31 March 2019

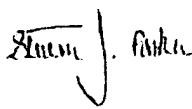
		The Group		The Charity	
	Note	2019 £	2018 as restated £	2019 £	2018 as restated £
<b>Fixed assets</b>					
Tangible assets	14	3,723	26,896	3,723	26,896
Intangible assets	15	229,839	63,942	152,855	63,942
Investments	16	-	-	1	1
<b>Total fixed assets</b>		<b>233,562</b>	<b>90,838</b>	<b>156,579</b>	<b>90,839</b>
<b>Current assets</b>					
Debtors	19	441,059	543,083	546,671	550,928
Cash at bank and in hand		93,370	137,196	73,456	119,720
<b>Total current assets</b>		<b>534,429</b>	<b>680,279</b>	<b>620,127</b>	<b>670,648</b>
<b>Liabilities</b>					
Creditors: amounts falling due in less than one year	20	(406,839)	(519,727)	(396,004)	(510,096)
<b>Net current assets</b>		<b>127,590</b>	<b>160,552</b>	<b>224,123</b>	<b>160,552</b>
<b>Total assets less current liabilities</b>		<b>361,152</b>	<b>251,390</b>	<b>380,702</b>	<b>251,391</b>
<b>Funds of the charity:</b>					
Restricted income funds	22	(9,060)	(79,772)	(9,060)	(79,772)
Unrestricted income funds	23	370,212	331,162	389,762	331,163
<b>Total charity funds</b>		<b>361,152</b>	<b>251,390</b>	<b>380,702</b>	<b>251,391</b>

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 17 to 35 form part of these accounts.

Approved by the trustees on 19/12/2019 and signed on their behalf by:

  
\_\_\_\_\_  
Matt Locke (Chair)

  
\_\_\_\_\_  
Steven Parker (Deputy Chair)



The Audience Agency  
Consolidated Statement of Cash Flows  
for the year ending 31 March 2019

	Note	2019 £	2018 £
<b>Cash provided by/(used in) operating activities</b>	26	<b>203,688</b>	<b>(46,107)</b>
<i>Cash flows from investing activities:</i>			
Purchase of tangible fixed assets		(3,770)	(34,546)
Purchase of intangible fixed assets		(243,744)	-
<b>Cash provided by/(used in) investing activities</b>		<b>(247,514)</b>	<b>65,454</b>
Increase/(decrease) in cash and cash equivalents in the year		(43,826)	(80,653)
Cash and cash equivalents at the beginning of the year		137,196	217,849
<b>Total cash equivalents at the end of the year</b>		<b>93,370</b>	<b>137,196</b>

# The Audience Agency

## Notes to the accounts for the year ended 31 March 2019

### 1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Audience Agency meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

#### b Group financial statements

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary The Audience Agency Services Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure account are not presented for the charity itself following exemptions afforded by section 408 of the Companies Act 2006.

#### c Change in accounting policy/prior year adjustment

A forensic review of all tangible fixed assets has led to a change in accounting policy. The view was taken that Audience Finder and related initiatives constitute considerable intangible assets in the form of data and software. Some assets which had been accounted as tangible fixed assets should more accurately be recognised as intangible fixed assets, while work on and investment in developing datasets and software should also be accounted as building considerable intangible assets with lasting value. This new policy reflects changes in the activities of the organisation which have taken place in recent years, offering a more relevant narrative about the organisation and the ways in which it creates value. It will also enable more robust decision-making by helping the organisation to understand and plan for better investment and returns.

The effect on the prior and current accounting periods are summarised here:

	2019	2018
Increase in intangible fixed assets	72,220	63,942
Decrease in tangible fixed assets	(72,220)	(63,942)

#### d Reclassification of income and expenditure

Income and expenditure have been reclassified for both the current and comparative figures so that the statutory accounts are more in line with the charity's management accounts. A prior year adjustment has not been made as the balance sheet and total income/expenditure did not change in the comparative figures.

## The Audience Agency

### Notes to the accounts for the year ended 31 March 2019 (continued)

#### **e Preparation of the accounts on a going concern basis**

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

There are no key judgments which the trustees have made which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

#### **f Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

#### **g Donated services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

#### **h 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.

#### **i Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

## The Audience Agency

### Notes to the accounts for the year ended 31 March 2019 (continued)

#### **j Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading including The Audience Agency Services Ltd and their associated support costs.
- Expenditure on charitable activities includes the costs of advice and assistance undertaken to further the purposes of the charity and their associated support
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### **k Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 9.

#### **l Operating leases**

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

#### **m Tangible fixed assets**

Individual fixed assets (excluding investments) costing £1000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Office equipment	20%
Office fixtures and equipment	33%

#### **n Intangible fixed assets**

##### **Goodwill**

Goodwill arising on business combinations is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful life. The period chosen for writing off goodwill is three years. Provision is made for any impairment.

##### **Other**

Research expenditure is written off in expenditure in the SoFA in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Intangible assets are amortised on a straight line basis over their useful lives. The useful lives of intangible assets are as follows:

<i>Intangible type</i>	<i>Useful life</i>	<i>Reason</i>
Development expenditure	3 years	The expenditure incurred relates to IT projects, a life of 3 years appears reasonable

## The Audience Agency

### Notes to the accounts for the year ended 31 March 2019 (continued)

#### **o Fixed asset investments**

The Charity's sole investment is in the trading subsidiary and is recognised at cost. There is no quoted price market price.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The financial risk faced by the charity surrounding this investment is limited to the initial cost of the share which is £1.

#### **p 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.

#### **q 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.

#### **r 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.

#### **s 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### **t Pensions**

Employees of the charity are entitled to join a defined contribution scheme. The charity's contribution is restricted to the contributions disclosed in note 11. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included within support and governance costs and allocated to the funds of the charity using the methodology set out in note 9.

# The Audience Agency

## Notes to the accounts for the year ended 31 March 2019 (continued)

### 2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales 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. The registered office address is disclosed on page 1.

### 3 Income from charitable activities

	Unrestricted £	Restricted £	Total 2019 £
<b>Advice &amp; assistance</b>			
Major stakeholders and funders			
ADESTE	-	14,595	14,595
AMA/Culturehive Strand 3	-	-	-
Arts Council England - On Boarding	-	-	-
Arts Council England Services	-	-	-
Audience Finder Grant	-	750,000	750,000
Audiences UK and Audiences UK events	10,916	-	10,916
Audiences Insight Wales	40,000	-	40,000
Creative Scotland	5,000	-	5,000
COLA	23,445	-	23,445
Creative Asset	-	22,036	22,036
Connect	-	18,889	18,889
New Capacity development	1,363	-	1,363
Subtotal for major stakeholders and funders	80,724	805,520	886,244
Bespoke Services			
Consultancy	319,796	-	319,796
Data analysis	23,425	-	23,425
Digital	42,691	-	42,691
Learning & participation	112,726	-	112,726
Research	414,650	-	414,650
Research consultant led	237,373	-	237,373
Workshops and guest speaking	15,246	-	15,246
Subtotal for bespoke services	1,165,907	-	1,165,907
Package/programme income			
Audience spectrum licensing	42,871	-	42,871
Bespoke dashboards	(4,000)	-	(4,000)
Enhanced dashboards	77,590	-	77,590
Finder package/earned income	-	-	-
Other customisations	64,447	-	64,447
Package profiling/APR's	105,007	-	105,007
Showstats	24,054	-	24,054
Subtotal for package/programme	309,969	-	309,969
<b>Total</b>	<b>1,556,600</b>	<b>805,520</b>	<b>2,362,120</b>

# The Audience Agency

## Notes to the accounts for the year ended 31 March 2019 (continued)

	Unrestricted £	Restricted £	Total 2018 £
<b>3 Advice &amp; assistance continued (previous year)</b>			
Major stakeholders and funders			
ADESTE	-	-	-
AMA/Culturehive Strand 3	-	-	-
Arts Council England - On Boarding	-	33,000	33,000
Arts Council England Services	8,470	-	8,470
Audience Finder Grant	-	400,000	400,000
Audiences UK	7,672	-	7,672
Clicks & bricks	-	-	-
COLA	67,054	-	67,054
Connect	-	17,694	17,694
Data sharing Guidance	-	10,159	10,159
Nesta legacy	-	-	-
New Ccapacity development	-	-	-
UK Partners	-	-	-
Visitor finder grant	-	-	-
Subtotal for major stakeholders	83,196	460,853	544,049
Bespoke Services			
Commissioned workshops	29,189	-	29,189
Consultancy	277,580	-	277,580
Data analysis	42,095	-	42,095
Digital	55,608	-	55,608
Events & workshops	-	-	-
Learning & participation	99,377	-	99,377
Research	568,444	-	568,444
Research consultant led	50,248	-	50,248
Subtotal for bespoke services	1,122,541	-	1,122,541
Package/programme income			
Audience spectrum licensing	33,900	-	33,900
Bespoke dashboards	12,650	-	12,650
Enhanced dashboards	98,652	-	98,652
Finder package/earned income	-	-	-
Other customisations	30,774	-	30,774
Package profiling/APR's	98,865	-	98,865
Showstats	23,885	-	23,885
Subtotal for package/programme	298,726	-	298,726
<b>Total</b>	<b>1,504,463</b>	<b>460,853</b>	<b>1,965,316</b>

# The Audience Agency

## Notes to the accounts for the year ended 31 March 2019 (continued)

### 4 Other trading activities

	Total 2019 £	Total 2018 £
The Audience Agency Services Ltd	138,382	257,985
	<u>138,382</u>	<u>257,985</u>

All income from other trading activities is unrestricted.

### 5 Other income

	Unrestricted £	Restricted £	Total 2019 £	Total 2018 £
Audience Agency Services Ltd				
Research and development tax claim	7,067	-	7,067	-
Profit on sale of intangible fixed asset (Audience Connect)	-	-	-	100,000
	<u>7,067</u>	<u>-</u>	<u>7,067</u>	<u>100,000</u>

### 6 Cost of raising funds

	2019 £	2018 £
Trading subsidiary direct costs	157,503	234,302
Allocation of support costs	6,437	23,463
Allocation of governance costs	1,059	1,535
	<u>164,999</u>	<u>259,300</u>

All expenditure on cost of raising funds is unrestricted.



# The Audience Agency

## Notes to the accounts for the year ended 31 March 2019 (continued)

### 7 Analysis of expenditure on charitable activities

	Advice & assistance £	Total 2019 £	Total 2018 £
Staff costs	1,149,275	1,149,275	1,092,778
Admin & office	91,117	91,117	99,256
Programme costs	201,557	201,557	260,143
Bespoke overheads	252,774	252,774	250,531
Depreciation & amortisation	72,811	72,811	56,896
Governance costs (see note 8)	9,534	9,534	13,810
Support costs (see note 8)	455,740	455,740	402,173
	<u>2,232,808</u>	<u>2,232,808</u>	<u>2,175,587</u>
By activity in 2018	<u>2,175,587</u>	<u>2,175,587</u>	
	2019 £	2018 £	
Restricted expenditure	814,580	843,565	
Unrestricted expenditure	1,418,228	1,328,592	
	<u>2,232,808</u>	<u>2,172,157</u>	

### 8 Analysis of governance and support costs

	Basis of apportionment	Support £	Governance £	Total 2019 £
Staff costs	staff number:a	278,681	-	278,681
Organisation & admin costs	staff number:a	172,485	1,443	173,928
Depreciation	staff number:a	11,011	-	11,011
Audit fees	Governance a	-	9,150	9,150
		<u>462,177</u>	<u>10,593</u>	<u>472,770</u>

# The Audience Agency

## Notes to the accounts for the year ended 31 March 2019 (continued)

### 9 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2019 £	2018 as restated £
Depreciation	20,263	71,860
Amortisation	138,358	40,720
Operating lease rentals:		
Property	-	6,714
Other	-	1,441
Auditor's remuneration - audit fees	5,000	5,000
Auditor's remuneration - accountancy fees	-	3,050
	<hr/>	<hr/>

### 10 Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	1,335,454	1,260,775
Social security costs	134,123	118,370
Pension costs	24,717	7,445
	<hr/>	<hr/>
	1,494,294	1,386,590
	<hr/>	<hr/>

No employees has employee benefits in excess of £60,000 (2018: Nil).

The average number of staff employed by the group during the period was 42 (2018: 41).

The average full time equivalent number of staff employed by the group during the period was 40 (2018: 39).

The average number of staff employed by the charity during the period was 41 (2018: 38).

The average full time equivalent number of staff employed by the charity during the period was 39 (2018: 37).

The key management personnel of the charity comprise the trustees and the Executive Team. The roles within the Executive Team are CEO, Chief Operating Officer, Chief Research Officer, Head of Finance & Ops, Director of Data Platforms and the Innovation Director.

The total employee benefits of the key management personnel of the charity were £310,936 (2018: £252,165).

## The Audience Agency

### Notes to the accounts for the year ended 31 March 2019 (continued)

#### 11 Trustee remuneration and expenses, and related party transactions

Neither the management committee nor any persons connected with them received any remuneration during the year (2018: Nil).

3 (2018:4) members of the management committee received travel and subsistence expenses during the year of £560 (2018:£393).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2018: nil).

The following persons made loans to the charity during the year at an interest rate of 0.5% per annum. Loans were repaid in the following financial year and amounts owed by the charity and interest payable at the year end are as follows:

	2019		2018	
	Loan to charity	Interest due	Loan to charity	Interest due
Steven Parker (trustee)	£ -	£ -	£ 10,000	£ 7
Roger Tomlinson (trustee)	£ -	£ -	£ 30,000	£ 19
Anne Torreggiani (Chief executive)	£ 30,000	£ 128	£ 30,000	£ 21

Trustees are appointed to the board primarily for the skills, experience and knowledge that they bring to the organisation. Such individuals are likely to hold other directorships or work within the sector for organisations that may have links with The Audience Agency or its subsidiary The Audience Agency Services Ltd.

The following directors hold an executive post within organisations undertaking business transactions with the The Audience Agency and/or its subsidiary. All sales/(purchases) are at arms length.

Name	Organisation	2019 £	2018 £
Alan Rivett	Coventry City of Culture Trust	2,220	-
Andrea Nixon	Tate Liverpool	-	533
Geraldine Collinge	Royal Shakespeare Company	12,000	-
Matt Locke	The British Science Association	18,066	-
Steven Parker	Experian	-	(85,900)

The following are directors of The Audience Agency and/or its subsidiary who also sit on the board of organisations with whom business transactions have been undertaken. The directors are non executives in each organisation and have no involvement in these transactions.

Name	Organisation	2019 £	2018 £
Peter Fell	Contact Theatre	-	10,347
Andrea Nixon	Arts Council England	-	441,470
Ben Walmsley	University of Leeds	1,915	1,823
Alan Rivett	Warwick Arts Centre	-	1,050
	BACH	-	2,500
Sheila Healy	Arts Council England	-	441,470
David Agnew	Horse & Bamboo	-	387

## The Audience Agency

### Notes to the accounts for the year ended 31 March 2019 (continued)

#### 12 Government grants

The government grants recognised in the accounts were as follows:

	2019 £	2018 £
Arts Council England - Audience Finder	750,000	400,000
Arts Council England Services	-	8,470
Arts Council England - On Boarding	-	33,000
	<hr/>	<hr/>
	750,000	441,470
	<hr/> <hr/>	<hr/> <hr/>

The amounts detailed mostly relate to large ongoing pieces of work being delivered for Arts Council England. The Audience Agency reports regularly to Arts Council England to confirm the status of this work. The amount of work to be delivered in 2018/19 from these grants is detailed in restricted funds analysis note 22.

#### 13 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

The charity's trading subsidiary The Audience Agency Services Limited gift aids available profits to the parent charity. Its charge to corporation tax in the year was:

	2019 £	2018 £
UK corporation tax at 20% (2018: 20%)	-	-
	<hr/> <hr/>	<hr/> <hr/>

# The Audience Agency

## Notes to the accounts for the year ended 31 March 2019 (continued)

### 14 Fixed assets: tangible assets (as restated)

#### The group

<b>Cost</b>	Office equipment £	Computer equipment £	Total £
At 1 April 2018	27,888	95,345	123,233
Additions	-	3,770	3,770
Disposals	-	(17,096)	(17,096)
	<hr/>	<hr/>	<hr/>
At 31 March 2019	27,888	82,019	109,907
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 April 2018	27,829	68,508	96,337
Charge for the year	59	20,204	20,263
Disposals	-	(10,416)	(10,416)
	<hr/>	<hr/>	<hr/>
At 31 March 2019	27,888	78,296	106,184
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 March 2019	-	3,723	3,723
	<hr/>	<hr/>	<hr/>
At 31 March 2018	59	26,837	26,896
	<hr/>	<hr/>	<hr/>

The subsidiary company owns no tangible fixed assets

# The Audience Agency

## Notes to the accounts for the year ended 31 March 2019 (continued)

### 15 Fixed assets: intangible assets (as restated)

#### The group

<b>Cost</b>	<b>Data assets £</b>	<b>Goodwill £</b>	<b>Total £</b>
At 1 April 2018	124,453	-	124,453
Additions	220,744	23,000	243,744
	<hr/>	<hr/>	<hr/>
At 31 March 2019	345,197	23,000	368,197
	<hr/>	<hr/>	<hr/>
<b>Amortisation</b>			
At 1 April 2018	60,511	-	60,511
Charge for the year	73,541	4,306	77,847
	<hr/>	<hr/>	<hr/>
At 31 March 2019	134,052	4,306	138,358
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 March 2019	211,145	18,694	229,839
	<hr/>	<hr/>	<hr/>
At 31 March 2018	63,942	-	63,942
	<hr/>	<hr/>	<hr/>

#### The Charity (as restated)

<b>Cost</b>	<b>Data assets £</b>	<b>Goodwill £</b>	<b>Total £</b>
At 1 April 2018	124,453	-	124,453
Additions	152,483	-	152,483
	<hr/>	<hr/>	<hr/>
At 31 March 2019	276,936	-	276,936
	<hr/>	<hr/>	<hr/>
<b>Amortisation</b>			
At 1 April 2018	60,511	-	60,511
Charge for the year	63,570	-	63,570
	<hr/>	<hr/>	<hr/>
At 31 March 2019	124,081	-	124,081
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 March 2019	152,855	-	152,855
	<hr/>	<hr/>	<hr/>
At 31 March 2018	63,942	-	63,942
	<hr/>	<hr/>	<hr/>

# The Audience Agency

## Notes to the accounts for the year ended 31 March 2019 (continued)

### 16 Investments

	The group		The charity	
	2019 £	2018 £	2019 £	2018 £
Investment in Audience Agency Services Ltd	-	-	1	1
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Investments comprised:				
Unlisted shares in UK registered companies	-	-	1	1
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

The shares in the subsidiary undertaking are carried at cost.

# The Audience Agency

## Notes to the accounts for the year ended 31 March 2019 (continued)

### 17 Subsidiary undertaking

The Charitable company owns the whole of the issued ordinary share capital of The Audience Agency Services Limited, a company registered in England, company number 06994989. The subsidiary is used for non-primary purpose trading activities.

Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

In accordance with guidance from the Financial Reporting Council in December 2017, the subsidiary no longer accrues the gift aid payment within its accounts. The payment to the parent charity will still be made within 9 months of the year end

Profit and loss account	2019 £	2018 £
Turnover	138,382	216,007
Cost of sales	(51,753)	(198,803)
Administration costs	(113,246)	(60,313)
Other operating income	-	41,978
Profit on disposal of intangible fixed assets	-	100,000
Interest payable	-	(184)
Donation to parent charity	(98,686)	-
Tax on (loss)/profit on ordinary activities	7,067	
<b>Net profit</b>	<b>£ (118,236)</b>	<b>£ 98,685</b>
<b>Balance sheet</b>	<b>2019 £</b>	<b>2018 £</b>
Fixed assets	76,984	-
Current assets	124,244	123,655
Creditors due in less than one year	(220,778)	(24,969)
	<b>(£19,550)</b>	<b>£98,686</b>
<b>Called up share capital</b>	<b>1</b>	<b>1</b>
<b>Profit and loss account</b>	<b>(19,551)</b>	<b>98,685</b>
	<b>(£19,550)</b>	<b>£98,686</b>

Of the current assets in the subsidiary, £40,000 are debtors due in more than 1 year.

### 18 Parent charity

The parent charity's gross income and the results for the year are disclosed as follow:

	2019 £	2018 £
Gross income	2,378,676	2,086,149
Result for the year	18,624	(111,586)



# The Audience Agency

## Notes to the accounts for the year ended 31 March 2019 (continued)

### 19 Debtors

	The group		The charity	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	234,716	290,699	209,417	289,870
Amounts owed by subsidiary	-	-	209,943	114,024
Other debtors	124,893	176,646	46,473	71,296
Prepayments and accrued income	81,450	75,738	80,838	75,738
	<u>441,059</u>	<u>543,083</u>	<u>546,671</u>	<u>550,928</u>

£40,000 of other debtors are due in more than one year (2018: £60,000)

### 20 Creditors: amounts falling due within one year

	The group		The charity	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	197,273	208,601	185,864	198,970
Taxation and social security costs	130,451	165,108	119,146	165,108
Other creditors	30,000	73,664	30,000	73,664
Short term compensated absences (holiday pay)	-	-	-	-
Deferred income	40,115	60,294	28,047	60,294
Amounts owed to subsidiary	-	-	23,947	-
Accruals	9,000	12,060	9,000	12,060
	<u>406,839</u>	<u>519,727</u>	<u>396,004</u>	<u>510,096</u>

### 21 Deferred income

	The group		The charity	
	2019	2018	2019	2018
	£	£	£	£
Deferred income brought forward	60,294	41,951	60,294	35,147
Income received	959,793	25,147	891,537	25,147
Released to income	(979,972)	(6,804)	(912,698)	-
	<u>40,115</u>	<u>60,294</u>	<u>39,133</u>	<u>60,294</u>

# The Audience Agency

## Notes to the accounts for the year ended 31 March 2019 (continued)

### 22 Analysis of movements in restricted funds

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2019 £
<b>Advice &amp; assistance</b>					
ACE audience finder	(79,772)	750,000	(750,000)	79,772	-
Connect	-	18,889	(31,609)	-	(12,720)
Adeste +	-	14,595	(22,021)	-	(7,426)
Creative asset	-	22,036	(10,950)	-	11,086
<b>Total</b>	<b>(79,772)</b>	<b>805,520</b>	<b>(814,580)</b>	<b>79,772</b>	<b>(9,060)</b>

<b>Previous reporting period</b>	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2018 £
<b>Advice &amp; assistance</b>					
ACE audience finder	(95,292)	400,000	(370,530)	(13,950)	(79,772)
ACE on boarding	-	33,000	(33,000)	-	-
Data sharing guidance	-	10,159	(10,159)	-	-
Connect	-	17,694	(17,694)	-	-
<b>Total</b>	<b>(95,292)</b>	<b>460,853</b>	<b>(431,383)</b>	<b>(13,950)</b>	<b>(79,772)</b>

#### **Name of Description, nature and purposes of the fund**

**ACE Audience Finder:** this is funding contributing to a data aggregation programme and analysis service which creates a national data set and an understanding of audiences and public impact. The service provides insight to underpin audience development, marketing and business planning for beneficiary organisations, including but not confined to Arts Council "National Portfolio Organisations"

**ACE On Boarding to Audience Finder:** this fund was to support Arts Council NPOs required to contribute data to Audience Finder. It focused on fast tracking them into the programme and providing the necessary support and resources.

**Data sharing guidance:** to provide an update to data sharing guidance created for the Arts Council in the previous year.

**Connect:** seeks to promote innovative cooperation between universities and enterprises in the cultural sector across Europe. Forming part of The Audience Agency's wider international work, CONNECT will strengthen the connection between higher education and cultural managers already working in the sector - each learning from the other.

# The Audience Agency

## Notes to the accounts for the year ended 31 March 2019 (continued)

### 22 Analysis of movements in restricted funds (continued)

ACE funding in 2017-18 did not cover the full cost of R&D and maintenance of the Audience Finder infrastructure and provision of the service. Directors took the decision to use reserves to cover these essential costs, in anticipation of future revenue in the form of a new Arts Council England funding programme fees from beneficiary organisations and grants from other bodies. This explains the transfer from unrestricted funds.

Transfers out of restricted funds are in respect of purchases of fixed assets which are held for the charity's general use.

### 23 Analysis of movement in unrestricted funds

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	As at 31 March 2019 £
Charity general funds	232,476	1,556,600	(1,319,542)	(79,772)	389,762
Subsidiary reserves	98,686	145,449	(263,685)	-	(19,550)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Group general funds	331,162	1,702,049	(1,583,227)	(79,772)	370,212
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Previous reporting period</b>	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2018 £
General fund	458,268	1,862,448	(2,003,504)	13,950	331,162
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Name of</b>	458,268	1,862,448	(2,003,504)	13,950	331,162
<b>General fund</b>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	The free reserves after allowing for all designated funds				

# The Audience Agency

## Notes to the accounts for the year ended 31 March 2019 (continued)

### 24 Analysis of group net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total £
Fixed assets	233,562	-	-	233,562
Net current assets/(liabilities)	156,200	(19,550)	(9,060)	127,590
Creditors of more than one year	-	-	-	-
<b>Total</b>	<b>389,762</b>	<b>(19,550)</b>	<b>(9,060)</b>	<b>361,152</b>

£40,000 of Other debtors are due in more than one year (2018: £60,000)

#### Previous period

	General fund £	Designated funds £	Restricted funds £	Total £
Fixed assets	90,838	-	-	90,838
Net current assets/(liabilities)	240,324	-	(79,772)	160,552
<b>Total</b>	<b>331,162</b>	<b>-</b>	<b>-</b>	<b>251,390</b>

£60,000 of Other debtors are due in more than one year (2018: £nil)

### 25 Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as

	Property		Equipment	
	2019 £	2018 £	2019 £	2018 £
Less than one year	-	6,714	-	1,441
One to five years	-	-	-	-
	<b>-</b>	<b>6,714</b>	<b>-</b>	<b>1,441</b>

The subsidiary company has no commitments under operating leases.

### 26 Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
<b>Net income/(expenditure) for the year</b>	<b>109,762</b>	<b>(111,586)</b>
<b>Adjustments for:</b>		
Depreciation/amortisation charge	104,790	71,860
Dividends, interest and rents from investments	-	-
Decrease/(increase) in debtors	102,024	(220,569)
Increase/(decrease) in creditors	(112,888)	214,188
<b>Net cash provided by/(used in) operating</b>	<b>203,688</b>	<b>(46,107)</b>