

COMPANY REGISTRATION NUMBER: SC392079
CHARITY REGISTRATION NUMBER: SC022620

Woodend Arts Limited
Company Limited by Guarantee
Financial Statements
31 March 2018

WILLIAMSON AND DUNN
Chartered accountant & statutory auditor
3 West Craibstone Street
Bon Accord Square
Aberdeen
AB11 6YW

Woodend Arts Limited
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2018

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Woodend Arts Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2018

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2018.

Objectives and activities

Woodend Arts Limited's (WAL) objects are to:

- a) advance the education of the residents of Deeside in the arts and make them aware of their cultural heritage;
- b) promote and/or provide training in the skills of the arts;
- c) provide facilities for the practice and performance of the arts;
- d) promote other schemes of a charitable nature for the benefit of the community.

Our vision

"The Barn is the cultural heart of Aberdeenshire - a vibrant and welcoming space, inspiring, engaging and sustaining creative ideas for the benefit of all"

The Barn's Mission

"To work collaboratively through the arts, connecting our communities through creativity and friendship"

Our strategic aims

- Generate enabling conditions for creativity
- Seek out artistic excellence
- Facilitate access to high quality artists and arts experiences that enhance the learning, wellbeing and development of our communities
- Foster long-term creative relationships that inform the learning, development and effectiveness of our organisation
- Encourage environmental stewardship and sustainable practices

WAL seeks to achieve these objectives by running the Woodend Barn Arts Centre (the Barn) as a multi-arts space which seeks to cater for all ages and tastes, and seeks to involve as many people as possible in all aspects of its programme. WAL seeks to show-case the best of local, national and international talent in many different art forms. It also seeks to engage local people of all ages and backgrounds in creative activity of all sorts.

WAL organises an outreach programme which includes events and activities at other venues in and around Deeside and supports professional artists and performers to visit local schools. WAL liaises with local authorities, schools and social services providers to ensure that its activities include those with additional support needs.

Woodend Arts Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2018

Achievements and performance

The Barn is Aberdeenshire's leading multi-arts centre, based in Banchory on Royal Deeside. An inspirational and welcoming space, the Barn offers a diverse and ambitious cultural programme for all ages - encompassing theatre, music, film, dance, comedy, talks and visual art - which attracted 20,500 visitors in 2017/18.

A collaborative team of staff, artists and 60 volunteers work together to devise and deliver an annual programme of around 150 performances and 200 creative workshops, ensuring that rural audiences can enjoy access to high-quality work from the best national, and local, artists and performers.

For over 20 years the Barn has championed environmental and ecological awareness, including the creation of a wild garden and 110 community allotments, positively influencing the lifelong learning and well-being of local residents and visitors. Creative projects frequently explore the connections between art, the environment and sustainability.

The Barn plays a key role in supporting artists, at all career stages, to create and develop new work through a series of ongoing residencies, commissions and research projects within the local community.

Over the course of 2017/18, our commitment to programming high quality work has included;

Music Old Blind Dogs, Yola Carter, Lau, Scottish Chamber Wind Soloists, Kathryn Joseph, The Little Unsaid, Red Note Ensemble, Tamsin Little, Blue Rose Code, Lizabett Russo, Emily Smith, Jenny Sturgeon and Inge Thomson, Hebrides Ensemble, Gypsy Jazz, Tide Lines.

Theatre Jenna Watt, 10ft Tall Theatre, Birds of Paradise, Heart and Minds, Gunshow Theatre, Catherine Wheels, Magnetic North, Solar Bear, Frozen Charlotte, Tenterhooks.

Visual Art/Design

Peacock Visual Arts, Michael Waight, Fenneke Wolters - Sinke, Kelly-Anne Cairns, Stephanie Fradette, Mel Watt, Aubin Stewart, Kate Pickering, John Newling, Helen Greensmith, Julia Gardner, Allan Watson.

Dance Mhairi Allan, Starcatchers, John Cleville Dance, Lynn Shaw, Scottish Dance Theatre.

Films/Live Screenings

Royal Shakespeare Company, Glyndebourne, Exhibition on Screen, Bolshoi Ballet, Dementia Friendly Screenings, Discovery Film Festival

Talks Jay Griffith (Literature), Alexander McCall Smith (Literature), Magdalena Schamberger (Dementia Friendly Performance), Philip Long (V&A Dundee)

Comedy Shappi Khorsandi, Fred MacAulay, Phill Jupitus.

Residencies Elaine Reid (Writer), Anna Porubcansky (Theatre), Newton Harrison (Visual Art/Ecology), John Newling (Visual Art/Ecology), Holly Morton (Visual Art), Lynne Shaw (Dance).

Woodend Arts Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2018

Achievements and performance *(continued)*

An accompanying Learning & Engagement programme attracted 4,500 participants of all ages, through a diverse range of creative workshops, family fun days and the Flourish community project.

Financial review

WAL raises funds from a number of different sources. Its main source of income is from the events and activities which it promotes. This includes arts events and workshops plus income derived from hiring the Barn to private individuals or businesses for weddings, parties or other events. This earned income is supplemented by grants and donations from both public and private bodies.

Funders during 2017-18 included Creative Scotland, Aberdeenshire Council, the Robertson Trust and Filmhub Scotland.

Total income for 2017-18 was £445,321 and total expenditure was £415,525, leaving net income of £29,796.

Our policy is to invest surplus funds in bank or building society account bearing interest and to endeavour to maintain liquid funds of at least £50,000 to provide working capital. At the year end, WAL held cash balances of £121,775, albeit this figure includes substantial advanced funding for future projects.

Total funds at 31 March 2018 amounted to £480,458, including restricted funds of £14,201.

Plans for future periods

WAL continues to actively fundraise for an ambitious programme of capital development which aims to transform the adjoining storage sheds in to a pop up craft retail and workshop space, alongside an expansion of the Barn's current reception foyer and box office areas and use of the adjacent Farmhouse as an administrative office. The capital programme has been designed both to enhance the Barn's day-time offer for visitors and to create new revenue streams for the charity into the future, which is essential in a climate of decreasing public funding.

The other key development within the organisation is the increasing role of Arts & Ecology within the Barn's overarching creative programme, most significantly with the current "On The Deep Wealth of This Nation, Scotland" project with American artist Newton Harrison and the Centre for the Study of the Force Majeure in Santa Cruz, California. The national reach of the project brings with it resource implications both financial and in terms of personnel to manage the work at both local and international level.

Each of these key future developments has the potential to enhance the scope, quality and impact of the Barn's creative offer and the extended WAL team will continue to work hard to achieve their successful delivery.

Woodend Arts Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2018

Structure, governance and management

WAL is a not-for-profit company limited by guarantee. It was incorporated on 24th January 2011 and commenced trading on 1st April 2011. It is also a registered Scottish Charity No. SC022620. WAL succeeded Woodend Arts Association (WAA) on 1st April 2011. WAA was an unincorporated association which was formed in March 1994 to run the Woodend Barn Arts Centre. WAA ceased trading on 31st March 2011 at which date it passed all of its assets, liabilities, contracts and leases to WAL.

WAL is governed by a Memorandum and Articles of Association under the Companies Act 2006. The structure of WAL consists of:-

(a) the Members - who have the right to attend the annual general meeting (and any extraordinary general meeting) and have important powers under the articles of association and the Act; in particular, the members elect people to serve as directors and take decisions in relation to changes to the articles themselves

(b) the Directors - who hold regular meetings during the year between annual general meetings (AGMs), and generally control and supervise the activities of the company; in particular, the directors are responsible for monitoring the financial position of the company and setting policy.

Directors are elected for a period of three years at the AGM. Directors are selected with a view to ensuring that the board contains a range of business and artistic skills, and reflects a broad spectrum of experience and background. Induction is via discussions with existing directors, and review of WAL's Memorandum and Articles of Association, policies, management guidelines and Business Plan.

The day-to-day running of WAL is delegated to The Barn Director, who is supported by a number of staff, freelance people and volunteers. Substantial decisions relating to human and/or commercial and contractual issues are taken by the directors of WAL in consultation with The Barn Director.

As WAL is a registered Scottish charity, all directors of the company are also trustees of the charity. They are referred to as "trustees" in the remainder of this report.

The Board manages the risks inherent in its business via policies and management guidelines, including a comprehensive health and safety Risk Assessment which is regularly reviewed. WAL insures its assets and equipment, and carries £5 million of Public Liability insurance.

Pay Policy for Directors and Senior Staff

All directors are volunteers and give their time freely and no director received remuneration or expenses in the year.

The pay of staff is reviewed annually by the board of directors. The directors benchmark pay levels against those in other voluntary sector organisations.

Woodend Arts Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2018

Structure, governance and management *(continued)*

In addition to managing its own activities, WAL acts as the hub of a network which involves several independent groups interested in the arts and community involvement.

These include:

Woodend Music Society (WMS) organises a number of classical music concerts and workshops each year. WMS occasionally commissions new works.

Woodend Barn Gallery arranges art exhibitions, workshops and residencies.

Third Stage organises weekly art and craft events for older people.

Woodend Allotments operate allotment gardens in fields behind the Woodend Barn.

Woodend Wood Engravers practice the ancient technique of wood engraving.

Buchanans is a cafe/bistro alongside the Barn, run by Val and Calum Buchanan.

sound festival organises an annual festival of new music involving venues across Aberdeenshire and Aberdeen City.

North East Arts Touring (NEAT) supports theatre, dance and film events in NE Scotland.

Reference and administrative details

Registered charity name Woodend Arts Limited

Charity registration number SC022620

Company registration number SC392079

Principal office and registered office The Barn
Burn o'Bennie
Banchory
Aberdeenshire
AB31 5QA

The trustees

Anne Douglas
Mark Hope
Gerry McDonald
Thomas Small
Rhiannon Turner
Edward Welch
Finlay Crossan
Kirsty Strang (Retired 7 June 2018)
Margaret McLaren (Retired 10 January 2018)
Susan Paterson (Retired 11 January 2018)

Woodend Arts Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2018

Reference and administrative details *(continued)*

| | |
|----------------|--|
| Auditor | Williamson and Dunn Chartered accountant & statutory auditor 3 West Craibstone Street Bon Accord Square Aberdeen AB11 6YW |
|----------------|--|

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting 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 charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Woodend Arts Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2018

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

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 was approved on 6 September 2018 and signed on behalf of the board of trustees by:



Finlay Crossan
Trustee

Woodend Arts Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members and Trustees of Woodend Arts Limited

Year ended 31 March 2018

Opinion

We have audited the financial statements of Woodend Arts Limited (the 'charitable company') for the year ended 31 March 2018 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 March 2018 and of 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

Woodend Arts Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members and Trustees of Woodend Arts Limited *(continued)*

Year ended 31 March 2018

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; 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, included within the trustee' annual report, and from the requirements to prepare a strategic report.

Woodend Arts Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members and Trustees of Woodend Arts Limited *(continued)*

Year ended 31 March 2018

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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. This description forms part of our auditor's report.

Woodend Arts Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members and Trustees of Woodend Arts Limited *(continued)*

Year ended 31 March 2018

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the charity's trustees as a body, in accordance with section 44(1)(c) of the Charities and Trustees Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Kathleen Kirkland MA CA

Kathleen Kirkland MA CA (Senior Statutory Auditor)

For and on behalf of
Williamson and Dunn
Chartered accountant & statutory auditor
3 West Craibstone Street
Bon Accord Square
Aberdeen
AB11 6YW

6 September 2018

Williamson & Dunn is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Woodend Arts Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2018

| | | 2018 | 2017 | | |
|--------------------------------------|------|-----------------|---------------|-----------------------|----------------|
| | | Unrestricted | Restricted | Total funds | Total funds |
| | Note | funds | funds | £ | £ |
| | | £ | £ | £ | £ |
| Income and endowments | | | | | |
| Donations and legacies | 5 | 57,209 | 7,383 | 64,592 | 38,377 |
| Charitable activities | 6 | 231,557 | 30,924 | 262,481 | 377,127 |
| Other trading activities | 7 | 89,199 | – | 89,199 | 83,109 |
| Investment income | 8 | 49 | – | 49 | 156 |
| Other income | 9 | – | – | – | 183 |
| Total income | | <u>378,014</u> | <u>38,307</u> | <u>416,321</u> | <u>498,952</u> |
| Expenditure | | | | | |
| Expenditure on raising funds: | | | | | |
| Costs of fundraising activities | 10 | 4,229 | – | 4,229 | 1,810 |
| Expenditure on charitable activities | 11 | 387,233 | 24,063 | 411,296 | 494,706 |
| Total expenditure | | <u>391,462</u> | <u>24,063</u> | <u>415,525</u> | <u>496,516</u> |
| Net income | | <u>(13,448)</u> | <u>14,244</u> | <u>796</u> | <u>2,436</u> |
| Transfers between funds | 16 | 14,873 | (14,873) | – | – |
| Net movement in funds | | <u>1,425</u> | <u>(629)</u> | <u>796</u> | <u>2,436</u> |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | <u>435,832</u> | <u>14,830</u> | <u>450,662</u> | <u>448,226</u> |
| Total funds carried forward | | <u>437,257</u> | <u>14,201</u> | <u>451,458</u> | <u>450,662</u> |

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

The notes on pages 15 to 25 form part of these financial statements.

Woodend Arts Limited
Company Limited by Guarantee
Statement of Financial Position
31 March 2018

| | Note | 2018 £ | 2017 £ |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Tangible fixed assets | 17 | 411,622 | 421,959 |
| Current assets | | | |
| Stocks | 18 | 1,959 | – |
| Debtors | 19 | 21,219 | 16,595 |
| Cash at bank and in hand | | 121,775 | 121,505 |
| | | <u>144,953</u> | <u>138,100</u> |
| Creditors: amounts falling due within one year | 20 | <u>105,117</u> | <u>109,397</u> |
| Net current assets | | | <u>28,703</u> |
| Total assets less current liabilities | | | <u>450,662</u> |
| Net assets | | <u>451,458</u> | <u>450,662</u> |
| Funds of the charity | | | |
| Restricted funds | | 14,201 | 14,830 |
| Unrestricted funds | | 437,257 | 435,832 |
| Total charity funds | 22 | <u>451,458</u> | <u>450,662</u> |

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

These financial statements were approved by the board of trustees and authorised for issue on 6 September 2018, and are signed on behalf of the board by:



Gerry McDonald
Trustee

Company Registration Number: SC392079

The notes on pages 15 to 25 form part of these financial statements.

Woodend Arts Limited
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 March 2018

| | 2018 £ | 2017 £ |
|---|-----------------------|-----------------------|
| Cash flows from operating activities | | |
| Net income | 796 | 2,436 |
| <i>Adjustments for:</i> | | |
| Depreciation of tangible fixed assets | 35,577 | 35,474 |
| Other interest receivable and similar income | (49) | (156) |
| Gains on disposal of tangible fixed assets | – | (183) |
| Accrued income | (9,328) | – |
| <i>Changes in:</i> | | |
| Stocks | (1,959) | – |
| Trade and other debtors | (4,624) | (7,153) |
| Trade and other creditors | 5,048 | (2,756) |
| Cash generated from operations | <u>25,461</u> | <u>27,662</u> |
| Interest received | 49 | 156 |
| Net cash from operating activities | <u>25,510</u> | <u>27,818</u> |
| Cash flows from investing activities | | |
| Purchase of tangible assets | (25,240) | (21,121) |
| Proceeds from sale of tangible assets | – | 183 |
| Net cash used in investing activities | <u>(25,240)</u> | <u>(20,938)</u> |
| Net increase in cash and cash equivalents | 270 | 6,880 |
| Cash and cash equivalents at beginning of year | 121,505 | 114,625 |
| Cash and cash equivalents at end of year | <u>121,775</u> | <u>121,505</u> |

The notes on pages 15 to 25 form part of these financial statements.

Woodend Arts Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2018

1. General information

WAL is a Scottish registered charity and a private company limited by guarantee. The address of the registered office is The Barn, Burn o'Bennie, Banchory, Aberdeenshire, AB31 5QA.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost convention, with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Woodend Arts Limited meets the definition of a public benefit entity under FRS102.

Going concern

The directors, having made due and careful enquiry and preparing forecasts, are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

Woodend Arts Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

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.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Impairment of debtors

The company makes an estimate on the recoverability of debtors. When assessing impairment of debtors, management consider factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Fund accounting

Unrestricted funds consist of the general fund and designated funds. Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacy income is received by way of donations, legacies and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity, being the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.
- Investment income is included when receivable.
- Income from charitable trading activity is accounted for when earned.

Woodend Arts Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, as set out in the notes to the accounts.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Assets which cost £100 or over are capitalised. Donated fixed assets are capitalised at their estimated value.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

| | | |
|----------------------|---|------------------------|
| Tenants improvements | - | over the lease term |
| Equipment | - | 10 - 33% straight line |

The carrying value of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Woodend Arts Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are valued at the lower of costs and net realisable value.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Woodend Arts Limited is a company limited by guarantee and accordingly does not have a share capital.

The member's liability is limited by guarantee not exceeding £1 per member.

Woodend Arts Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

5. Donations and legacies

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2018 £ |
|-----------------------|----------------------------|--------------------------|--------------------------|
| Donations | | | |
| Donations | 53,317 | 7,383 | 60,700 |
| Friends subscriptions | 3,892 | – | 3,892 |
| | <u>57,209</u> | <u>7,383</u> | <u>64,592</u> |

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2017 £ |
|-----------------------|----------------------------|--------------------------|--------------------------|
| Donations | | | |
| Donations | 12,712 | 21,965 | 34,677 |
| Friends subscriptions | 3,700 | – | 3,700 |
| | <u>16,412</u> | <u>21,965</u> | <u>38,377</u> |

Donations includes a contribution of £7,800 (2017: £7,200) from Leys Estate as a forgiveness of rent.

6. Charitable activities

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2018 £ |
|----------------------------------|----------------------------|--------------------------|--------------------------|
| Tesco | – | 2,000 | 2,000 |
| Film Hub | – | 1,000 | 1,000 |
| Aberdeenshire Council | 19,000 | – | 19,000 |
| Creative Scotland | 143,250 | 13,874 | 157,124 |
| NEAT | 2,500 | – | 2,500 |
| The James Hutton Institute | – | 1,550 | 1,550 |
| Producers Project | – | – | – |
| Netting Production | – | – | – |
| Robertson Trust | – | 12,500 | 12,500 |
| Performances and workshops | 64,107 | – | 64,107 |
| Youth Arts Collective North East | – | – | – |
| Arts and Business | 2,700 | – | 2,700 |
| | <u>231,557</u> | <u>30,924</u> | <u>262,481</u> |

Woodend Arts Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

6. Charitable activities *(continued)*

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2017 £ |
|----------------------------------|----------------------------|--------------------------|--------------------------|
| Tesco | - | - | - |
| Film Hub | - | - | - |
| Aberdeenshire Council | 14,000 | - | 14,000 |
| Creative Scotland | 133,000 | 71,711 | 204,711 |
| NEAT | 2,500 | - | 2,500 |
| The James Hutton Institute | - | - | - |
| Producers Project | - | 20,916 | 20,916 |
| Netting Production | - | 15,772 | 15,772 |
| Robertson Trust | - | 12,500 | 12,500 |
| Performances and workshops | 61,907 | - | 61,907 |
| Youth Arts Collective North East | - | 33,921 | 33,921 |
| Arts and Business | 10,900 | - | 10,900 |
| | <u>222,307</u> | <u>154,820</u> | <u>377,127</u> |

7. Other trading activities

| | Unrestricted Funds £ | Total Funds 2018 £ | Unrestricted Funds £ | Total Funds 2017 £ |
|--------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Fundraising events | 18,016 | 18,016 | 14,335 | 14,335 |
| Hall hire | 48,010 | 48,010 | 42,833 | 42,833 |
| Rental income | 5,760 | 5,760 | 7,054 | 7,054 |
| Bar income | 8,420 | 8,420 | 3,971 | 3,971 |
| Other | 8,993 | 8,993 | 14,916 | 14,916 |
| | <u>89,199</u> | <u>89,199</u> | <u>83,109</u> | <u>83,109</u> |

8. Investment income

| | Unrestricted Funds £ | Total Funds 2018 £ | Unrestricted Funds £ | Total Funds 2017 £ |
|--------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Bank interest receivable | <u>49</u> | <u>49</u> | <u>156</u> | <u>156</u> |

9. Other income

| | Unrestricted Funds £ | Total Funds 2018 £ | Unrestricted Funds £ | Total Funds 2017 £ |
|---|----------------------------|--------------------------|----------------------------|--------------------------|
| Gain on disposal of tangible fixed assets held for charity's own use | <u>-</u> | <u>-</u> | <u>183</u> | <u>183</u> |

Woodend Arts Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

10. Costs of fundraising activities

| | Unrestricted Funds £ | Total Funds 2018 £ | Unrestricted Funds £ | Total Funds 2017 £ |
|---------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Bar costs | 1,914 | 1,914 | – | – |
| Costs of fundraising activities | 2,315 | 2,315 | 1,810 | 1,810 |
| | <u>4,229</u> | <u>4,229</u> | <u>1,810</u> | <u>1,810</u> |

11. Expenditure on charitable activities by fund type

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2018 £ |
|----------------------------------|----------------------------|--------------------------|-----------------------------------|
| Performances and workshops | 64,759 | 1,000 | 65,759 |
| Exhibitions and residences | 23,548 | 1,550 | 25,098 |
| Environmental Art Walk | – | – | – |
| Netting Production | – | 1,762 | 1,762 |
| Youth Arts Collective North East | – | 4,868 | 4,868 |
| Support costs | 298,926 | 14,883 | 313,809 |
| | <u>387,233</u> | <u>24,063</u> | <u>411,296</u> |

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2017 £ |
|----------------------------------|----------------------------|--------------------------|--------------------------|
| Performances and workshops | 68,504 | 438 | 68,942 |
| Exhibitions and residences | 16,462 | – | 16,462 |
| Environmental Art Walk | – | 14,825 | 14,825 |
| Netting Production | – | 67,525 | 67,525 |
| Youth Arts Collective North East | – | 28,103 | 28,103 |
| Support costs | 260,983 | 37,866 | 298,849 |
| | <u>345,949</u> | <u>148,757</u> | <u>494,706</u> |

12. Analysis of support costs

| | Total 2018 £ | Total 2017 £ |
|----------------|-------------------------|-----------------|
| Staff costs | 191,516 | 171,539 |
| Premises | 40,384 | 35,167 |
| General office | 43,332 | 53,669 |
| Audit Fee | 3,000 | 3,000 |
| Depreciation | 35,577 | 35,474 |
| | <u>313,809</u> | <u>298,849</u> |

Woodend Arts Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

13. Net income

Net income is stated after charging/(crediting):

| | 2018 | 2017 |
|--|---------------|---------------|
| | £ | £ |
| Depreciation of tangible fixed assets | 35,577 | 35,474 |
| Gains on disposal of tangible fixed assets | – | (183) |
| Auditors remuneration | 3,000 | 3,000 |
| Operating lease costs | <u>11,020</u> | <u>11,140</u> |

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

| | 2018 | 2017 |
|---|----------------|----------------|
| | £ | £ |
| Wages and salaries | 180,776 | 162,685 |
| Social security costs | 9,270 | 8,595 |
| Employer contributions to pension plans | 1,470 | 259 |
| | <u>191,516</u> | <u>171,539</u> |

The average head count of employees during the year was 11 (2017: 8). The average number of employees during the year is analysed as follows:

| | 2018 | 2017 |
|-----------|-----------|----------|
| | No. | No. |
| Full-time | 1 | 2 |
| Part-time | 10 | 6 |
| | <u>11</u> | <u>8</u> |

No employee received employee benefits of more than £60,000 during the year (2017: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £47,310 (2017: £48,036).

15. Trustee remuneration and expenses

During the year the trustees donated a total of £15,060 (2017: £5,100) to the Charity.

None of the trustees received any remuneration in the current or preceding year, nor were they paid any expenses for attending trustee meetings. No trustee received payment for professional or other services supplied to the charity (2017: £nil).

16. Transfers between funds

Transfers of £14,873 were made during the year from restricted funds to unrestricted funds (2017: £71,579), principally for tangible fixed assets purchased from restricted funds and now held for general unrestricted purposes.

Woodend Arts Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

17. Tangible fixed assets

| | Tenants improvements £ | Equipment £ | Artwork £ | Total £ |
|-------------------------|------------------------------|----------------|---------------|-----------------------|
| Cost | | | | |
| At 1 April 2017 | 520,924 | 249,445 | 14,100 | 784,469 |
| Additions | – | 4,240 | 21,000 | 25,240 |
| At 31 March 2018 | <u>520,924</u> | <u>253,685</u> | <u>35,100</u> | <u>809,709</u> |
| Depreciation | | | | |
| At 1 April 2017 | 193,255 | 169,255 | – | 362,510 |
| Charge for the year | 18,545 | 17,032 | – | 35,577 |
| At 31 March 2018 | <u>211,800</u> | <u>186,287</u> | <u>–</u> | <u>398,087</u> |
| Carrying amount | | | | |
| At 31 March 2018 | <u>309,124</u> | <u>67,398</u> | <u>35,100</u> | <u>411,622</u> |
| At 31 March 2017 | <u>327,669</u> | <u>80,190</u> | <u>14,100</u> | <u>421,959</u> |

18. Stocks

| | 2018 £ | 2017 £ |
|-------------------------------|--------------|-----------|
| Raw materials and consumables | <u>1,959</u> | <u>–</u> |

19. Debtors

| | 2018 £ | 2017 £ |
|--------------------------------|---------------|---------------|
| Trade debtors | 2,816 | 3,819 |
| Prepayments and accrued income | 1,979 | 3,977 |
| Other debtors | 16,424 | 8,799 |
| | <u>21,219</u> | <u>16,595</u> |

20. Creditors: amounts falling due within one year

| | 2018 £ | 2017 £ |
|------------------------------|----------------|----------------|
| Trade creditors | 14,283 | 18,318 |
| Accruals and deferred income | 24,297 | 33,625 |
| Loan | 30,463 | 30,463 |
| Other creditors | 36,074 | 26,991 |
| | <u>105,117</u> | <u>109,397</u> |

Woodend Arts Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,470 (2017: £259).

22. Analysis of charitable funds

Unrestricted funds

| | At 1 April 2017 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2018 £ |
|-------------------|-------------------------|----------------|------------------|----------------|--------------------------|
| Unrestricted Fund | <u>435,832</u> | <u>378,014</u> | <u>(391,462)</u> | <u>14,873</u> | <u>437,257</u> |

Restricted funds

| | At 1 April 2017 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2018 £ |
|-------------------------------------|-------------------------|---------------|------------------|-----------------|--------------------------|
| Producers Project | 1,761 | – | (1,762) | 1 | – |
| Robertson Trust | 6,250 | 12,500 | (12,500) | – | 6,250 |
| Youth Arts Collective North East | 5,819 | – | (4,868) | – | 951 |
| Capital Projects | – | 14,934 | (1,060) | (13,874) | – |
| Other Donations | 1,000 | 6,323 | (1,323) | (1,000) | 5,000 |
| Tesco | – | 2,000 | – | – | 2,000 |
| Film Hub Scotland | – | 1,000 | (1,000) | – | – |
| James Hutton Institute | – | 1,550 | (1,550) | – | – |
| | <u>14,830</u> | <u>38,307</u> | <u>(24,063)</u> | <u>(14,873)</u> | <u>14,201</u> |

Purposes of the main restricted income funds

Producers Project - Project funded by Creative Scotland

Robertson Trust - Funding towards the costs of the Learning and Engagement Programme

Youth Arts Collective North East - Funding towards Early Years creative activities

Capital Projects - Funding towards the capital programme

Other Donations - Small donations received for specific projects

Tesco - Creation of Poetry Path

Film Hub Scotland - Funding to support dementia and baby friendly screenings

James Hutton Institute - Funding to support Newton Harrison Project

Woodend Arts Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

23. Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2018 £ | Total Funds 2017 £ |
|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Tangible fixed assets | 440,622 | – | 440,622 | 421,959 |
| Current assets | 130,752 | 14,201 | 144,953 | 138,100 |
| Creditors less than 1 year | (105,117) | – | (105,117) | (109,397) |
| Net assets | <u>466,257</u> | <u>14,201</u> | <u>480,458</u> | <u>450,662</u> |

24. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2018 £ | 2017 £ |
|--|----------------------|---------------|
| Not later than 1 year | 10,996 | 11,140 |
| Later than 1 year and not later than 5 years | 313 | 1,709 |
| | <u>11,309</u> | <u>12,849</u> |