

COMPANY REGISTRATION NUMBER: SC392079  
CHARITY REGISTRATION NUMBER: SC022620

**Woodend Arts Limited**  
**Company Limited by Guarantee**  
**Financial Statements**  
**31 March 2017**

**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 2017**

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# Woodend Arts Limited

## Company Limited by Guarantee

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

Year ended 31 March 2017

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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 2017.

#### 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 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 visits by musicians and artists to local schools. WAL liaises with local authorities and schools, the nearby Steiner communities and social services to ensure that its activities include those with special needs.

# Woodend Arts Limited

## Company Limited by Guarantee

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

Year ended 31 March 2017

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#### 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 25,300 visitors in 2016/17, an increase of 27% on 2015/16.

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 2016/17, our commitment to programming high quality work has included;

**Music** Lau, King Creosote, Sons of Kemet, Rant, Scottish Opera, ESKA, Mairi Campbell, Bozzini Quartet, Kris Dever, Roddy Woomble, KT Tunstall, Ligeti Quartet, Ross Whyte and Blazin Fiddles, Lizabett Russo and Red Note Ensemble

**Theatre** National Theatre of Scotland, Jenna Watt, Company of Wolves, A Moment's Peace, Morna Young, Tin Can People, Frozen Charlotte, Abigail Sinar, Ten Feet Tall and Invisible Army

#### Visual Art/Design

(Exhibitions) John Newling, Paul Barnes, Maja Zeco, Peacock Print Show featuring Toby Paterson, Kenny Hunter, Claire Barclay, John Byrne, Frances Walker and Scott Myles. (Craft/Design Events) Anne Marquiss, Helen Ruth, Kerstin Gren, Arra Textiles, the Cloud Pottery, Lyndsey & Yoshi, Gabi Reith, Paper Houses and Carla Edwards. (Public Art Projects) John Newling - Dear Nature Letters and Soil Bowl installation.

**Dance** Rob Heaslip, Jack Webb, Cultured Mongrel, Barrowland Ballet, Joan Cleville, KaSt, Scottish Ballet, Jo Fong, Secondhand Dance and Scottish Dance Theatre.

#### Films/Live Screenings

Blackfish, Room, The Danish Girl, How to Change the World, Wadjda, The Curious World of Hieronymus Bosch, Salt of the Earth - Sebastiao Selgado, Live Screenings from the Royal Shakesphere Company, Bolshoi Ballet and Royal Opera House.

**Talks** Anta (design), Malcolm Fraser (architecture) and Luke Robertson (Polar exploration).

**Comedy** Frankie Boyle, Mark Steel, Rich Hall, Shappi Khorsandi, Phil Jupitus, Fred Macauley and Seann Walsh.

# Woodend Arts Limited

## Company Limited by Guarantee

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

Year ended 31 March 2017

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#### **Achievements and performance** *(continued)*

**Residencies** John Newling (Visual Arts), Maja Zeco (Visual Arts/Sound), Company of Wolves (Theatre), Abigail Sinair (Music), Ellie Griffiths (Theatre) and Rob Heaslip (Dance).

An accompanying **Learning & Engagement** programme attracted 7,000 participants of all ages, through a diverse range of creative workshops, family fun days and the Woollen Woods 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.

Funders during 2016-17 included Creative Scotland, Aberdeenshire Council and the Robertson Trust.

Total income for 2016-17 was £498,952 and total expenditure was £496,516, leaving net income of £2,436.

Our policy is to invest surplus funds in bank or building society accounts bearing interest and to endeavour to maintain liquid funds of at least £45,000 to provide working capital. At the year end, WAL held cash balances of £121,505 albeit this figure includes substantial advanced funding for future projects.

Total funds at 31 March 2017 amounted to £450,662, including restricted funds of £14,830.

Work on the capital project designed to improve the access/welcome and facilities in the Barn was completed during the year.

#### **Plans for future periods**

WAL's plans are set out in our Business Plan. We plan to continue to deliver a diverse and high quality, year-round programme of arts provision. In addition to our regular programme of performances and workshops, we shall continue our creative work around Arts & Ecology, Creative Learning and supporting Artists to make new work inspired by our location through a range of commissions and residencies.

We have submitted an application to Creative Scotland for Regular Funding for the 3 year period commencing April 2018, to help fund this continuing work. With the support of our Friends and our Fund-raising Committee, we will continue to make funding applications to Aberdeenshire Council and various Charitable Trusts and Foundations. We shall also seek to grow retail activities, new business sponsorship and support opportunities with the local private sector. This funding supplements the substantial funds that we generate through our arts programme and through hire of the Barn for public and private events.

# Woodend Arts Limited

## Company Limited by Guarantee

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

#### Year ended 31 March 2017

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##### **Plans for future periods** *(continued)*

In addition to operating the Barn, we plan to continue our capital improvement programme to enable the Barn to maximise the built and environmental potential of our site, and develop new services that will increase our income-generating capability and provide enhanced visitor experiences within the tourism corridor of Royal Deeside.

The Barn benefits greatly from the involvement and enthusiastic support of its many volunteers. Whilst the value of the economic contribution of volunteers is not reflected in the accounts, it is estimated to be in the region of £100,000. We would like to express our gratitude and admiration to our Trustees, staff and the many volunteers who have supported WAL over the year.

##### **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.

# Woodend Arts Limited

## Company Limited by Guarantee

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

Year ended 31 March 2017

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#### Structure, governance and management *(continued)*

##### 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.

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.

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

**Woodend Wood Engravers** practice the ancient technique of wood engraving.

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

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

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

# Woodend Arts Limited

## Company Limited by Guarantee

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

Year ended 31 March 2017

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#### 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

Margaret McLaren

Susan Paterson

Thomas Small

Rhiannon Turner

Edward Welch

Finlay Crossan

Kirsty Strang

David Blyth

(Appointed 23 January 2017)

(Appointed 23 January 2017)

(Served from 8 September 2016 to 31 March 2017)

#### Auditor

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

# Woodend Arts Limited

## Company Limited by Guarantee

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

Year ended 31 March 2017

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#### 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.

#### 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.

# Woodend Arts Limited

## Company Limited by Guarantee

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

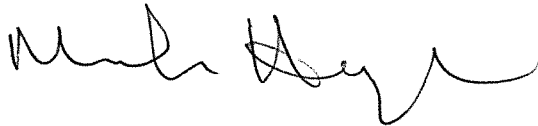
Year ended 31 March 2017

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#### 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 7 September 2017 and signed on behalf of the board of trustees by:



Mark Hope  
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 2017

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We have audited the financial statements of Woodend Arts Limited for the year ended 31 March 2017 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 and the charity's 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 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.

#### Respective responsibilities of trustees and auditor

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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. We have been appointed 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 regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017 and of its 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).
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# 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 2017

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#### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and the 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors reports and take advantage of the small companies exemption from the requirement to prepare a strategic report.

*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

7 September 2017

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)

31 March 2017

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		2017		2016	
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	5	16,412	21,965	<b>38,377</b>	59,265
Charitable activities	6	222,307	154,820	<b>377,127</b>	383,944
Other trading activities	7	83,109	–	<b>83,109</b>	61,865
Investment income	8	156	–	<b>156</b>	294
Other income	9	183	–	<b>183</b>	–
<b>Total income</b>		<u>322,167</u>	<u>176,785</u>	<u><b>498,952</b></u>	<u>505,368</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of fundraising activities		1,810	–	<b>1,810</b>	3,141
Expenditure on charitable activities	10	345,949	148,757	<b>494,706</b>	500,748
<b>Total expenditure</b>		<u>347,759</u>	<u>148,757</u>	<u><b>496,516</b></u>	<u>503,889</u>
<b>Net income</b>		<u>(25,592)</u>	<u>28,028</u>	<u><b>2,436</b></u>	<u>1,479</u>
Transfers between funds	15	71,579	(71,579)	–	–
<b>Net movement in funds</b>		<u>45,987</u>	<u>(43,551)</u>	<u><b>2,436</b></u>	<u>1,479</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>389,845</u>	<u>58,381</u>	<u><b>448,226</b></u>	<u>446,747</u>
<b>Total funds carried forward</b>		<u>435,832</u>	<u>14,830</u>	<u><b>450,662</b></u>	<u>448,226</u>

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

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The notes on pages 14 to 24 form part of these financial statements.

**Woodend Arts Limited**  
**Company Limited by Guarantee**  
**Statement of Financial Position**  
**31 March 2017**

		2017		2016
		£	£	£
<b>Fixed assets</b>				
Tangible fixed assets	16		421,959	436,312
<b>Current assets</b>				
Debtors	17	16,595		9,442
Cash at bank and in hand		121,505		114,625
		<u>138,100</u>		<u>124,067</u>
<b>Creditors: amounts falling due within one year</b>	18	109,397		112,153
<b>Net current assets</b>			<u>28,703</u>	<u>11,914</u>
<b>Total assets less current liabilities</b>			<u>450,662</u>	<u>448,226</u>
<b>Net assets</b>			<u>450,662</u>	<u>448,226</u>
<b>Funds of the charity</b>				
Restricted funds			14,830	58,381
Unrestricted funds			435,832	389,845
<b>Total charity funds</b>	20		<u>450,662</u>	<u>448,226</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 7 September 2017, and are signed on behalf of the board by:



Gerry McDonald  
Trustee

Company Registration Number: SC392079

The notes on pages 14 to 24 form part of these financial statements.

**Woodend Arts Limited**  
**Company Limited by Guarantee**  
**Statement of Cash Flows**  
**Year ended 31 March 2017**

	2017 £	2016 £
<b>Cash flows from operating activities</b>		
Net income	2,436	1,479
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	35,474	22,735
Impairment of tangible fixed assets	–	48,557
Other interest receivable and similar income	(156)	(294)
Gains on disposal of tangible fixed assets	(183)	–
<i>Changes in:</i>		
Trade and other debtors	(7,153)	(6,209)
Trade and other creditors	(2,756)	34,585
Cash generated from operations	<u>27,662</u>	100,853
Interest received	<u>156</u>	294
Net cash from operating activities	<u><u>27,818</u></u>	<u><u>101,147</u></u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(21,121)	(99,064)
Proceeds from sale of tangible assets	183	–
Net cash used in investing activities	<u>(20,938)</u>	<u>(99,064)</u>
<b>Net increase in cash and cash equivalents</b>	<b>6,880</b>	<b>2,083</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>114,625</b>	<b>112,542</b>
<b>Cash and cash equivalents at end of year</b>	<b><u><u>121,505</u></u></b>	<b><u><u>114,625</u></u></b>

The notes on pages 14 to 24 form part of these financial statements.

# Woodend Arts Limited

## Company Limited by Guarantee

### Notes to the Financial Statements

Year ended 31 March 2017

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#### 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.

##### 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.

##### Transition to FRS 102

The company transitioned to FRS 102 and the Charities SORP FRS 102 on 1 April 2015. Details of how this has affected the financial position and the financial performance, is given in note 23.

# Woodend Arts Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

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#### 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.

# Woodend Arts Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

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#### 3. Accounting policies *(continued)*

##### 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.

##### 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.

# Woodend Arts Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

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#### 3. Accounting policies *(continued)*

##### **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.

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.

##### **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.

# Woodend Arts Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

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#### 3. Accounting policies *(continued)*

##### Defined contribution plans *(continued)*

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.

##### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against net income on a straight line basis over the period of the lease.

#### 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.

#### 5. Donations and legacies

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

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
<b>Donations</b>			
Donations	26,292	28,657	54,949
Friends subscriptions	4,316	–	4,316
	<u>30,608</u>	<u>28,657</u>	<u>59,265</u>

Donations includes a contribution of £7,200 (2016 - £8,000) from Leys Estate as a forgiveness of rent.

# Woodend Arts Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

#### 6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Aberdeenshire Council	14,000	–	14,000
Creative Scotland	133,000	71,711	204,711
NEAT	2,500	–	2,500
Meikle Carewe	–	–	–
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>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Aberdeenshire Council	14,000	–	14,000
Creative Scotland	133,380	23,403	156,783
NEAT	2,277	–	2,277
Meikle Carewe	–	1,920	1,920
Producers Project	–	69,150	69,150
Netting Production	–	46,493	46,493
Robertson Trust	–	12,500	12,500
Performances and workshops	80,821	–	80,821
Youth Arts Collective North East	–	–	–
Arts and Business	–	–	–
	<u>230,478</u>	<u>153,466</u>	<u>383,944</u>

#### 7. Other trading activities

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Fundraising events	14,335	14,335	13,430	13,430
Hall hire	42,833	42,833	34,593	34,593
Rental income	7,054	7,054	5,496	5,496
Bar income	3,971	3,971	2,877	2,877
Other	14,916	14,916	5,469	5,469
	<u>83,109</u>	<u>83,109</u>	<u>61,865</u>	<u>61,865</u>

# Woodend Arts Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

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#### 8. Investment income

	Unrestricted Funds £	<b>Total Funds 2017 £</b>	Unrestricted Funds £	Total Funds 2016 £
Bank interest receivable	156	<b>156</b>	294	294

#### 9. Other income

	Unrestricted Funds £	<b>Total Funds 2017 £</b>	Unrestricted Funds £	Total Funds 2016 £
Gain on disposal of tangible fixed assets held for charity's own use	183	<b>183</b>	–	–

#### 10. Expenditure on charitable activities by fund type

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

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Performances and workshops	73,798	1,750	75,548
Exhibitions and residences	19,376	–	19,376
Environmental Art Walk	1,332	–	1,332
Netting Production	–	47,574	47,574
Producers Project	–	67,229	67,229
Youth Arts Collective North East	–	–	–
Support costs	284,610	5,079	289,689
	<b>379,116</b>	<b>121,632</b>	<b>500,748</b>

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# Woodend Arts Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

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#### 11. Analysis of support costs

	Total 2017	Total 2016
	£	£
Staff costs	171,539	150,046
Premises	35,167	33,091
General office	53,669	32,462
Audit Fee	3,000	2,798
Depreciation	35,474	22,735
Impairment	–	48,557
	<u>298,849</u>	<u>289,689</u>

#### 12. Net income

Net income is stated after charging/(crediting):

	2017	2016
	£	£
Depreciation of tangible fixed assets	35,474	22,735
Impairment	–	48,557
Gains on disposal of tangible fixed assets	(183)	–
Auditors remuneration	3,000	2,798
Operating lease costs	<u>11,140</u>	<u>11,140</u>

#### 13. Staff costs

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

	2017	2016
	£	£
Wages and salaries	162,685	141,378
Social security costs	8,595	8,668
Employer contributions to pension plans	259	–
	<u>171,539</u>	<u>150,046</u>

The average head count of employees during the year was 8 (2016: 8). The average number of full-time equivalent employees during the year is analysed as follows:

	2017	2016
	No.	No.
Full-time	2	2
Part-time	6	6
	<u>8</u>	<u>8</u>

No employee received employee benefits of more than £60,000 during the year (2016: Nil).

#### Key Management Personnel

The remuneration paid to key management personnel, including employers national insurance and pension contributions was £48,036 (2016 - £45,027).

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# Woodend Arts Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2017

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#### 14. Trustee remuneration and expenses

During the year the trustees donated a total of £5,100 (2016 - £29,077) 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 (2016 - £nil).

#### 15. Transfers between funds

Transfers of £71,579 were made during the year from restricted funds to unrestricted funds (2016 - £52,049), principally for tangible fixed assets purchased from restricted funds and now held for general unrestricted purposes.

#### 16. Tangible fixed assets

	Tenants improvements £	Equipment £	Artwork £	Total £
<b>Cost</b>				
At 1 April 2016	519,731	229,899	14,100	<b>763,730</b>
Additions	1,193	19,928	–	<b>21,121</b>
Disposals	–	(382)	–	<b>(382)</b>
<b>At 31 March 2017</b>	<u>520,924</u>	<u>249,445</u>	<u>14,100</u>	<u><b>784,469</b></u>
<b>Depreciation</b>				
At 1 April 2016	169,730	157,688	–	<b>327,418</b>
Charge for the year	23,525	11,949	–	<b>35,474</b>
Disposals	–	(382)	–	<b>(382)</b>
<b>At 31 March 2017</b>	<u>193,255</u>	<u>169,255</u>	<u>–</u>	<u><b>362,510</b></u>
<b>Carrying amount</b>				
<b>At 31 March 2017</b>	<u>327,669</u>	<u>80,190</u>	<u>14,100</u>	<u><b>421,959</b></u>
At 31 March 2016	<u>350,001</u>	<u>72,211</u>	<u>14,100</u>	<u>436,312</u>

#### 17. Debtors

	<b>2017</b>	2016
	<b>£</b>	<b>£</b>
Trade debtors	<b>3,819</b>	7,487
Other debtors	<b>12,776</b>	1,955
	<u><b>16,595</b></u>	<u>9,442</u>

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# Woodend Arts Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2017

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#### 18. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	18,318	30,568
Loan	30,463	30,463
Other creditors	60,616	51,122
	<u>109,397</u>	<u>112,153</u>

#### 19. 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 £259 (2016: £Nil).

#### 20. Analysis of charitable funds

##### Unrestricted funds

	At 1 April 2016	Income	Expenditure	Transfers	At 31 March 2017
	£	£	£	£	£
General Funds	389,845	322,167	(347,759)	71,579	435,832

##### Restricted funds

	At 1 April 2016	Income	Expenditure	Transfers	At 31 March 2017
	£	£	£	£	£
Producers Project	46,609	20,916	(65,764)	-	1,761
Netting Production	(1,080)	15,772	(14,824)	132	-
Robertson Trust	6,250	12,500	(12,500)	-	6,250
Youth Arts Collective					
North East	-	33,921	(28,102)	-	5,819
Capital Projects	-	71,711	-	(71,711)	-
Other Donations	6,602	21,965	(27,567)	-	1,000
	<u>58,381</u>	<u>176,785</u>	<u>(148,757)</u>	<u>(71,579)</u>	<u>14,830</u>

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# Woodend Arts Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

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#### 20. Analysis of charitable funds *(continued)*

##### Purposes of the main restricted income funds

Producers Project - Project funded by Creative Scotland

Netting Production - A Theatre Production 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

#### 21. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Tangible fixed assets	421,959	–	<b>421,959</b>
Current assets	123,270	14,830	<b>138,100</b>
Creditors less than 1 year	(109,397)	–	<b>(109,397)</b>
<b>Net assets</b>	<b>435,832</b>	<b>14,830</b>	<b>450,662</b>

#### 22. Operating lease commitments

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

	2017 £	2016 £
Not later than 1 year	<b>9,600</b>	9,600
Later than 1 year and not later than 5 years	<b>3,248</b>	4,788
	<b>12,848</b>	<b>14,388</b>

#### 23. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2015.

No transitional adjustments were required in the retained funds or income and expenditure for the year.