

**Registered company number: 04727071**  
**Charity number: 1099570**

## **HORSEBRIDGE ARTS AND COMMUNITY CENTRE**

### **Report of the Trustees and unaudited financial statements for the year ended 31 March 2020**

# HORSEBRIDGE ARTS AND COMMUNITY CENTRE

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# HORSEBRIDGE ARTS AND COMMUNITY CENTRE

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

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

### REFERENCE AND ADMINISTRATIVE DETAILS

|                                    |                                                      |
|------------------------------------|------------------------------------------------------|
| <b>Registered charity name</b>     | Horsebridge Arts and Community Centre                |
| <b>Charity number</b>              | 1099570                                              |
| <b>Company registration number</b> | 4727071                                              |
| <b>Registered office</b>           | 11 Horsebridge Road<br>Whitstable<br>Kent<br>CT5 1AF |

### Trustees

The trustees who served the charity during the period were as follows:

Mrs Z A Cloke  
Mr J C Nurden  
Ms J R Hobbins (resigned 16.4.19)  
Mr S A Lawton  
Prof L H McMahon  
Cllr B P Baker  
Cllr C Spooner (resigned 3.2.20)  
Mr T Jackaman (appointed 27.2.20)

|                                 |                                                                                                                         |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| <b>Key management personnel</b> | The trustees<br>Ms Elizabeth Daone - Centre Director<br>Mr Peter Dyer - Finance Manager<br>Mrs H Wenn - Deputy Director |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------|

|                             |                                                                                                                                           |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Independent examiner</b> | S J Wren FCCA<br>Accountancy Matters (Kent) Limited<br>Chartered Certified Accountants<br>31 Queen Street<br>Ramsgate<br>Kent<br>CT11 9DZ |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|

|                |                                                                      |
|----------------|----------------------------------------------------------------------|
| <b>Bankers</b> | Lloyds Bank Plc<br>43 Sandgate Road<br>Folkestone<br>Kent<br>CT5 1AF |
|----------------|----------------------------------------------------------------------|

## PURPOSE AND ACTIVITIES

The Horsebridge Arts and Community Centre was established in 2004 as a not-for-profit company limited by guarantee with a charitable status. It occupies a distinctive, purpose built, contemporary building in the centre of the town adjacent to the seafront. Identified locally as 'The Horsebridge Arts Centre' it is at the cultural heart of Whitstable and aspires to be a vibrant regional arts destination.

The purpose of the charity is to provide a social, cultural and learning resource of high-quality that meets the needs of our community, is excellent value and is welcoming and accessible to all.

### Aims of The Horsebridge Arts Centre

Building on the centre's established relationships with the local community, as well as its diverse artistic and educational programme, the centre aims to

- encourage more people to access, enjoy and be challenged by arts activities both as participants and consumers;
- develop the social benefits of the arts to strengthen community cohesion and value the pleasure involvement in the arts brings;
- facilitate personal and professional development and forge beneficial partnerships within the town's creative industries;
- form networks and partnerships with other cultural and educational organisations to generate added value and facilitate best practice; and
- contribute to and support the town's distinctive identity as an inspiring, participatory art destination.

### Public Benefit

The Trustees confirm they have had due regard to the Charity Commission's public benefit guidance and are confident the objectives and activities undertaken provide significant benefit to the public and are in accordance with its charitable objects.

The Horsebridge Arts Centre enjoys more than 90,000 visitors through its doors each year. These visitors are made up of local and regional visitors as well as growing numbers of tourists from the UK and abroad as Whitstable continues to attract cultural and heritage tourists. We are committed to deliver a year-round programme of arts events and learning opportunities to Whitstable and beyond, responding to and enhancing the passions of the community. We work cohesively in our programming to ensure we offer events the community can be involved in with the aim of having no barrier to access, particularly with youth projects and events, connecting with other organisations and groups across the district to enhance the collective offering to the region. The Centre continues to develop new approaches to reach sections of our community who feel there is nothing at the centre for them.

The Centre relies on income generated from hire charges and events to cover its operating costs alongside grant funding. To remain accessible and to continue to provide public benefit, the trustees and management team of the Centre have to take great care to ensure the fees set across the Centre remain accessible for those on low income. The variety of spaces within the Centre assist us in enabling both physical and economic accessibility to the resources, but we are continually looking at more ways to develop the interaction with the building.

When providing an arts offering we are aware that not everyone has the same tastes and some of our arts programming may cause offence. We seek to respect the diverse ethnic, faith, sexual orientation and lifestyles within our community and take great care to consider their views without compromising the integrity of our offering. We clearly sign any event that may cause offence and use our complaints policy to ensure the community voice is heard.

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**Key Strategies**

To deliver the operational activities of the centre we are guided by key strategies, built upon our charitable purpose, objects and aims. These are periodically reviewed and refined by the board and senior staff team to incorporate changing operational environments and strategic policy changes.

The strategies are to:

- deliver cohesive and immersive cultural experiences throughout the space
- engage children and young people in the arts both as part of their educational experience and in their life outside education
- ensure that the centre works to respond to and actively involve all sections of the community encourage every member of the community to explore and develop their own creativity and skills
- work in partnership with cultural, artistic and educational providers to create opportunities for learning and personal and professional development and enjoyment
- utilise robust data reporting systems to evaluate activity and plan effectively
- develop and capitalise on additional revenue streams to achieve financial robustness, stability and independence from single sources
- manage and maintain the building to accommodate an exciting programme of exhibitions, performances, workshops and classes

**ACHIEVEMENTS AND PERFORMANCE**

This year marked 15 years of The Horsebridge Arts Centre and in that time we have welcomed over 1.2 million visitors, delivered over 32,000 classes and workshops to the community along with nearly 1,000 exhibitions. We are grateful for the more than 23,000 volunteer hours that have enabled our work to continue and the £30,000 in donations, a third of which have come in the last two years alone.

**Creative Development**

It has been an exciting year and extensive progress has been made in developing the quality and diversity of the artistic offer at the Centre has been extensive. The 'Young Digital Makers' programme funded by Reaching Communities has had a significant impact on the core group of 12 to 15 year olds involved. Their second exhibition, devised by the participants and following on from a summer of animation workshops was an inspiration, cohesively presenting outcomes of the project through animation, photography, gaming and sounds. It highlighted again the importance of programmes of work that extend beyond classroom into arts spaces to deepen the experience for those involved and those visiting. We grew our Young Maker programme further with Young History Makers funded by Young Roots Heritage Lottery Fund. It brought together a group of young people aged 12-23 with an interest in heritage and/or creativity to explore and interpret Pudding Pan Rock and delivered not just workshops and an exhibition, but enabled work placements, training and Arts Award qualifications for those involved.

The Young Makers programmes highlight the ability of the centre to deliver a rounded arts experience, not just in the exhibition spaces, but a cohesive education and exploration programme of work that we look forward to rolling out across more of our work in the future.

**Visual arts**

The Artistic Programme Proposal set in 2017 to improve the experience for artists and visitors for the exhibition spaces has settled in this year. The Deputy Director has led and curated the arts programme to achieve the desired 2:1 ratio of artist hire to in-house exhibitions whilst ensuring the quality of the offer to the visiting public. The challenge for 2020 and beyond is to continue building on this to ensure we continue to capture the breadth of artistic quality available to us in the district and beyond.

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The positive impact this year is that thousands of participants young and old have been able to experience and engage with the diverse range of exhibitions, workshops and events the Horsebridge team has created and curated over the past 12 months. The Young Makers programmes and the *Foyle Foundation* funded 'They came from the Deep' brought not only engaging exhibitions throughout the year, but hundreds of workshop places over the summer and school holidays to explore, create, walk and talk about arts, history, the environment and much more for young people and their families.

Our Young History Makers worked alongside archaeologists, heritage professionals and artists from August 2019 to unravel the mystery of how hundreds of little red roman pots ended up on the Whitstable and Herne Bay sea bed and rediscover the history of the pudding pans and interpret them for a new generation. The exhibition in February showed not only the breadth of their learning but also the depth of creative media involved including printing, textiles, enamelware, sculpture, conceptual art vlogging and photography.

Our big summer experience 'They came from the Deep' took inspiration from local stories, strange sightings and seafaring legends, to create a community project that brought to life a new mythical folk tale inspired by our remarkable seaside town. The project started with the creation of huge creatures built by commissioned artists and the community throughout July. These creatures took part in Whitstable's Oyster Festival and Carnival, created an immersive underwater experience in the exhibition space and became the inspiration for illustration, animation and storytelling workshops.

Alongside these large projects the team brought smaller shows to the centre exploring more ideas and mediums. Camera Obscura turned our smallest gallery into a huge camera obscura allowing visitors to open small apertures to reveal a familiar scene reversed, inverted and projected through tiny pinholes into the darkened room. Seaside Guide turned a commissioned coastal exploration guide into an exploration activity with large scale versions of the guide being engaged with collectively by our community. 'This Is What I Want To Show You' was due to return for another year, but Covid-19 closure meant a delay to its exhibition. The team however rapidly took advantage of the new website platform to create a virtual experience and extended the project encouraging Instagram followers to show insight into life in lockdown.

The exhibitions and supporting programmes brought in new audiences to the Centre and created more interest in the exhibitions from independent artists, societies and groups exhibiting in the space throughout the year.

### **Creative Partnerships**

Working with partners to deliver high quality artistic work continued to be an area of expansion this year.

Our grant funded and sponsored programmes enabled partnerships with a broad range of creatives. The 'Young Digital Makers' project has worked with Young Animators Club and *University for Creative Arts Canterbury* to deliver core group sessions. The team worked in partnership with *Canterbury Archaeological Trust* and *Whitstable Community Museum Group* to deliver the Young History Makers programme.

Throughout the year and now on-going in 2020 we have worked with *IO Arts, History and Disability* to deliver a programme of workshops and an exhibition for a group of people with learning disabilities funded by *Kent Community Foundation Crown Charitable Fund*.

Element Kent was supported by the *Royal Society of Chemistry Kent* local section to celebrate 150 years of the Periodic Table. We hosted a week of fun-packed creative events designed for young people, which combined Arts and Science to help celebrate and share in the spectacle.

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Supported by the *David Family Foundation* 6th form students at the *Whitstable School* and the Centre co-curated 'A FRESH START' as part of their A level, Fine Art, Photography and Textiles courses. This mixed media collection showcased their work allowing the students to demonstrate their comprehensive knowledge of the fundamentals of Art and Design.

We were pleased to be able to support *WhitLit* with the launch of Write Mind which uses the written word to discuss and explore better mental health through reading and creative writing. We also supported a series of Mental Health talks run by a local artist.

### **Professional Development Opportunities**

We have continued to build on the development work from last year to commission, employ and provide development opportunities for artists and creatives in the region.

'Small Print' collective exhibition curated by The Horsebridge celebrated all forms of print, reproduced in a small format and featured the work of 30 Kent artists. It explored the diverse range of styles that the art form enables and provided a showcase for individual artists and their work. In contrast 'LINO PRINT', a large group show curated by artist *Ben Dickson* brought together 20 artists from across the country who use relief printing as a fine art medium. Ben and fellow artists ran introductory lino print workshops in the gallery space during the show.

'Young Digital Makers' funded a Project Coordinator post along with 14 workshop leaders. The 'They came from the Deep' project engaged one model builder for 10 days and 11 workshop leaders. 'Young History Makers' funded a Project Coordinator post along with 15 workshop leaders. In addition we commissioned an artist to produce the Seaside Guide and supported a local artist to set up a series of art and mental health talks.

'Handmade Christmas' created an opportunity for creatives to sell work and introduced new creatives to our audience. The Centre's shop continues to increase the number of opportunities artists have to present their work for sale. Increased focus on local makers to provide products for the shop has offered retail opportunities and increased exposure of work both in the physical shop and from promotion on digital platforms. The Horsebridge fundraising auction showcased the donated artist work across our digital platforms and artists have requested to be involved in future auctions due to the exposure it gave them.

### **Film Screenings**

This year saw a significant upgrade to the Centre's screening facilities thanks to funding from *National Lottery Awards for All*. Not only has the funding improved the quality of screenings both visually and audibly, it has enabled us to continue to deliver our Silver Screenings, keeping these sociable film screenings affordable for our older community. Attendance continues to grow and it is likely that being able to provide a Covid secure environment to continue these valued social events safely for isolated members of the community will be vital in the months to come once the centre is re-open.

We took part in the 'Into Film Festival 2019' to offer a free film experience and education event for local schools. Film screenings also took over the gallery space this year as The Horsebridge presented South East Stories. Curated by *Film Hub South East* and selected from close to 100 submissions, this programme of ten short films told cinematic stories that lingered in the mind, challenged perceptions and introduced an array of exciting emerging filmmakers.

We celebrated International Women's Day with *Feminista Film Festival's* UK Tour which brought an inspired selection of short films celebrating the accomplishments of women and girls from around the world. The programme included 8 festival favourites - stories from Wales to Pakistan, from wild swimmers to pizza makers.

We continue to seek to improve the offer to our customers and find funding to support the matinee screenings going forward.

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### Community Spaces

Our non-exhibition spaces are hired for a broad range of classes, workshops and meetings. For the third year, despite decreasing budget expectations, this area fell considerably below budget. We continue to deliver a professional service in this area but face increased competition locally as other community spaces seek to change their offering.

Our future development plans are now looking for funding to re-purpose less utilised spaces into purpose built education and digital delivery spaces complete with specialist equipment that creatives will be able to hire.

### Learning and Participation

The Horsebridge runs a series of regular in-house creative classes and workshops throughout the year to supplement the range offered by local artists and educators. We have extended the offerings from the Centre for the school holiday periods, with some delivered as part of the grant funded projects. Around 1,300 classes took place for adults and 650 classes for children throughout the year, including one-off creative workshops which can cover whole days.

As part of Young Digital Makers we ran 19 group sessions throughout the year for ten to twelve young people referred by their schools. The young people are all working towards a Bronze or Silver Arts Award. In addition, the project provided a summer scheme of eight workshop sessions for 40 children aged 8–11, and two sessions for 12 – 16 years olds; these focused on providing opportunities for disadvantaged children and were free of charge. The project also developed our work outreaching to the community as we took Young Digital Makers sessions to the *Lucerne Centre* and *Whitstable Youth Club* as well as sessions at *Herne Bay High School* and *Whitstable Junior School*.

As part of Young History Makers we ran eight summer sessions providing almost 100 places for local children and young people. The core group activity providing nine young people with 12 high quality heritage and creative workshops, a week-long work experience at *Canterbury Archaeological Trust* and sessions at *Clayspace* and *Whitstable Community Museum*.

Our *Foyle Foundation* 'They came from the Deep' project included six family workshops, 23 children's workshops and a costume creations workshop for the IO learning disability group. The Horsebridge organised a large presence for the *Oyster Festival* parade bringing together schools, learning disability groups and volunteers. This involved 50 people and a colourful, creative display.

The Horsebridge worked with a respected local photographer to trial a different approach to some of our education offers with a six week introductory photography course. The outcomes were encouraging, and we will be looking to roll this approach out in more education areas.

Our weekly term time 'Young Makers Arts Club' has reached capacity throughout this year. Due to the resourcing issues 'Creative Workshops for Adults' and 'Parent and Toddler Messy Art Play' were both suspended towards the end of the year. A challenge for next year will be to gain funding to support these clubs ongoing and to ensure the cost can remain accessible for as much of our community as possible.

The monthly art talks continued throughout the year enabling discussion and social engagement.

## **Communications and Digital Engagement**

This year saw further improvement in how we use digital engagement to both reach and expand our audiences. While limited human resources and financial pressures have prevented significant strides forward on a strategy for cohesive communications, the team continue to be opportunistic and creative in their use of social media to broaden our audiences. The communications channels continue to include printed materials (quarterly brochure, posters and leaflets), digital channels (website, Twitter, Facebook, Instagram and email newsletters) and traditional press.

### **Brochure**

Our printed brochure continues to be distributed across the district and through the local school network, at a reduced volume, with the digital version available on our website. The advertising space is incredibly strong and well subscribed throughout the year with benefit and value for money being noted among local businesses. We remain fortunate that local schools, businesses and other community spaces continue to act as distribution channels in addition to the Centre itself. The impact of Covid-19 on this area on marketing and income is significant for 2020 as the rapid move to zero paper over infection concerns will demand a change in how we reach certain audiences.

### **Digital communication and social media**

Our website is our primary channel for consistent communications with the wider community while our social media channels continue to actively engage locally and provide a frequent channel for feedback and interaction. The move to a new website platform this year enabled us to host our fundraising auction both physically and online with a considerable growth in bids in the final hours of the auction.

Our digital channels are continuously improving in the offer we extend through them, but they are not yet consistent or strategic in use. The reach of our social media channels has exceeded 210,000 this year and we had nearly 20,000 visitors to the website, but we acknowledge we have to diversify the content to increase these figures and grow our audience substantially. The geographic reach is fairly consistent across channels, with 86% being UK based. Our Facebook and Instagram demographics show around 75% of our audience are female, with 25% aged over 55, 70% between 25-54 and 5% are under 24, highlighting why our areas of reach will demand a different approach to digital communications to reach our strategic audiences.

The online ticket sales channel is continuing to assist the Centre along with the donation facilities offered via the website and social media. A new Friends system was implemented this year, streamlining the sign up process and on-going management of the Friends community. We thank all those who support the Centre through the Friends programme. Use of further social media channels and the most appropriate way to leverage our email newsletters still need to be reviewed as part of the larger communication strategy.

### **Press**

The high quality and significant levels of community engagement of the work this year has increased our press media coverage. We have strengthened our relationship with local press and have been able to secure coverage of several projects, along with the relaunch of our Friends' Scheme. The Horsebridge was also featured on BBC South East Television news on a story about the impact of Covid on local charities as we prepared for closure.

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### Audience Development

We are seeking to engage wider audiences across the Horsebridge offerings and to improve the quality of our offerings through creative development strategies. This coupled with increased creative partnerships with education organisations, cultural organisations, artists, etc. aims to reach beyond the town and create an Arts Centre for the district. The focus of the majority of our funded work this year has continued to reach more audiences, working with those who may not otherwise engage with our activities and strengthen the engagement with existing audiences. Projects like 'Young History Makers', 'Young Digital Makers' and 'Silver Screenings' have been fundamental in this.

To build upon this and strengthen our outreach work we are working with many community groups including *Red Zebra*, *Umbrella Centre and Café*, *Whitstable Community Museum Group* and *Transition Town*. This has involved us in joint projects such as 'Social Prescribing and Wellbeing' and the 'Repair Café Whitstable'. We also support *Demelza's* 'Pumpkin Hunt' and *WhitSparkle's* lantern procession with free craft activities. Our relationship with local schools has been nurtured by working in partnership with them to ensure that the opportunities we offer reach their most disadvantaged pupils, and providing space for the schools creative work to be shown within a gallery setting. This year we have been able to take part in regional creative and voluntary sector forums, fostering links with organisations such as *Artswork* and *Arts Exchange*.

For the financial year, Centre visitors numbered more than 95,000, with our busiest quarter, unsurprisingly, being July to September. Analysis with postcode data of those attending ticketed events shows that 95% are from Kent, with 85% from within the CT1-CT6 district and 73% being Whitstable postcode district of CT5. We have increased the postcodes captured from ticketed events to 64%, but are looking to change ticketing provider to enable easier capture of postcode data next year.

### Commercial Trading Activities

The Horsebridge Shop continues to be a growth area for the Centre, both in revenue and in community engagement. The range of locally created products has continued to grow, expanding the variety of local artist created merchandise and exclusive ranges of maker kits, encouraging all ages to get involved in creating. To continue to grow the shop it is recognised this has to be reflected in the physical design of the shop and the entrance into the centre, as well as diversifying the sales channels to include our digital platforms of our website and social media channels.

It was decided last year that whilst the presence of a café as a community meeting space within the Centre was important, the charity could no longer continue to absorb the ongoing losses. In July 2019 the café service was taken on, under a ten-year sub-lease, by *Café Revival* which is run as a social enterprise by *Mind in Bexley*. As anticipated the rental for this year has been used to meet some of the costs of closing the café. The modest rental going forward will contribute only 3% on budgeted income levels, but this reflects the demands placed on the service delivery within the space for users of the centre.

### Volunteers

The Centre is very involved in the community and relies increasingly on volunteers to continue our day-to-day operations. As internally run exhibitions and programmes have increased, so has the number of opportunities we can offer volunteers alongside the usual general roles. Our dedicated staff team work closely with all our volunteers, assisting those with additional needs and supporting all volunteers with the complexities of the Centre. Without the team of more than 30 regular volunteers the Centre would not be able to be open for more than 80 hours each week or offer the range of programming.

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We have had the support of 850 volunteer hours (121 days) in general roles this year, with a further 1164 hours (166 days) of specialist role support. We have also been able to provide volunteering opportunities to young people through the Duke of Edinburgh scheme, and a placement for a Canterbury College supported learning student.

Given the continued pressure of increasing costs, we will continue to rely on volunteers next year to sustain the Centre operationally. We wish to thank them for all their support this year and we always welcome more volunteers.

### **Workforce**

Evolving, diversifying and developing would not be possible without dedicated and skilled staff. The team continue to provide a friendly, efficient and meaningful service to our customers under increasingly demanding circumstances. Balancing the demands of funded projects against the daily operational needs remains difficult, but if we are to continue to grow and develop this will need to be addressed in the next year.

In the meantime, the team continue to meet the development and challenges with professionalism and commitment to change and grow the organisation for future.

### **Strategy and Development**

The next two years for the organisation will be about continuing to develop the arts opportunities we offer to the district and constantly striving to broaden the audiences we are reaching. To achieve this, we need to ensure we have a board and staff team that are fit for purpose, trained appropriately and given sufficient capacity to deliver effectively. Until we are in a position to consider the ambitions captured in the feasibility study of 2017, we will focus on securing funding for the work already appreciated by the community and develop projects that work to the strengths of the current building.

The impact of Covid-19 is being felt across the arts industry and we will seek to leverage the growth we have made in reaching new audiences over the last two years to cement stronger in-house and outreach programmes of work. Working from a physical space that is likely to be closed for a considerable part of the next financial year has necessarily forced a review of where development over the coming years needs to focus. We have to understand how to encompass meaningful digital delivery alongside existing delivery channels and ensure we do not increase isolation by a reliance on technology only solutions.

### **FINANCIAL REVIEW**

The Horsebridge Arts Centre key financial aim is to deliver a financial stable, diversified and secure organisation each year. The overview for the 2019/20 financial year is as follows:

|                             |          |
|-----------------------------|----------|
| Total Income                | 264,892  |
| Total Expenditure           | 260,979  |
| Net Income                  | 3,913    |
| Total funds brought forward | (41,990) |
| Reserves stand at           | (38,077) |

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Our primary purpose trading has declined £11,210 from last year with continued drop-off in venue hire income and with the rapid growth of restricted grant funded projects now accounts for only 27% of our total income. Our other trading activities income has increased by £17,699 thanks to significant increases in shop, auction and membership income. Our income across charitable and other trading activities now stands at 46% of total income, with donations at 2% and grants (restricted and unrestricted) delivering the remaining 52%. This is a 5% increase on last year, diversified across ten grant funders, with 67% of all grant funding coming from restricted project funding, an increase of 13% on last year. The award of £46,000 from Canterbury City Council (CCC), via the Improvement Grant, accounts for 17% of our income ensuring we have been successful in meeting our target of not being reliant on a single funder for more than 20% of our income. With lease negotiations completed in July 2019 the ability to focus on funding streams is clear from the impact on income and our objective to make our financial performance mirror our growth in arts performance this year is certainly taking shape.

Whilst a net expenditure of £11,778 in unrestricted funds (before transfers and recharges from restricted grants) is disappointing, £6,053 is directly attributed to the closure costs of the café. In addition, some £14,003 of restricted project grants were set against our unrestricted costs, leading to an unrestricted surplus for the year of £2,225. Unrestricted funds suffered due an ongoing reduction in venue hire against budget, with small room hire being particularly impacted. Whilst salaries were also slightly over budget this year, we were able to recharge a much higher proportion than in previous years from restricted grants. The shortfall in unrestricted funds has been mitigated by successfully securing restricted project funding, making operational savings and efficiencies and by our ability to grow our income from the shop, events and inhouse activities. We continue to utilise restricted funding to support existing crucial arts projects and to reduce core costs and look to continue this next year.

**Principal funding sources**

The Horsebridge generates income from the hire/rental of galleries and workshop spaces, a small number of events and in-house activities, commercial trading activities mainly through the retail space and other sundry income including membership and commission.

**Canterbury City Council funding**

The Improvement Grant and associated agreements is in place until 2021 and we continue to maintain a strong and supportive relationship with CCC. It is heartening that we have been able to make small financial improvements this year, and the growth of skill in the team to enable the delivery of both short and long term grant funded projects continues to show incredible promise. The board remain acutely aware of the pressures on local council budgets and are striving to improve the stability of the organisation and decrease its reliance of single source funding as we provide services to people across the district of Canterbury, particularly as the fallout from funding COVID-19 responses impact local authority budgets for 2021 onwards.

**Fundraising  
Grants**

The Horsebridge have made incredible progress again this year in increasing grant funded projects. To be delivering eight projects for restricted grants alongside the service delivery of the centre on the equivalent of eight full time staff is a credit to the team and their hard work. We have achieved the grant focus goal set last year to attract funding to support work we already carry out supported solely by primary purpose trading and look to increase this next year. We will continue to look for funding to allow us to continue our Young Makers project and grow new areas of work with older and more isolated members of our community.

**Friends membership**

A concerted campaign to increase our Friends began in Q1 2020 and has resulted in a 500% increase in income for this stream by quadrupling our Friends base. We have set a longer-term target of 1% of visitor total to become Friends and will continue to work towards this target in 2020.

### **Investment Policy**

The Trustees operate a policy of holding any reserves held in an interest-bearing savings account.

### **Reserves Policy and Going Concern**

The reserves of the charity have been divided into restricted funds and unrestricted funds in accordance with charity legislation.

The restricted funds represents money given to The Horsebridge for specific capital and project work within the overall aims of the organisation. These funds will be spent over the period set out in the terms of the funding.

The Horsebridge unrestricted funds are not reliant on any single source, with the large majority self-generated through hire, sales and donations. The organisation operates with a negative or low balance sheet, due to the charity deferring income for future hire of its spaces (hire due to take place outside of the current financial period). This deferred income is only due for repayment to hirers if a hire is cancelled, and the majority of deferred income relates to the hire of gallery spaces, which are in high demand and are fully booked in advance. It is therefore considered very unlikely that the deferred income will be liable to be repaid. Further to this, for unrestricted grant funding, the organisation is not reliant on a single funder for more than 20%, with aims to reduce this further over the next three years.

The charity operates with generally predictable levels of unrestricted funds income, but with high levels of fixed costs. Using a risk-based approach the organisation operates a reserves policy that will manage shortfalls in cashflow and be able to fully fund services for short periods of time. Although the organisation has operated for more than 10 years with a negative balance sheet, the target is that by 2021 we will deliver a positive balance sheet, with longer term goals to create reserves of sufficient funds to cover three months operating costs. We will achieve this with the support of CCC Improvement Grant to 2021, strengthening income streams and continuing to develop a diverse grant portfolio.

In addition, the Horsebridge will aim to create a Designated Fund that will be used to build sustainability, develop the organisation in accordance with strategic aims and fund property maintenance requirements in the future.

The reserves policy will be reviewed annually as a minimum, in production of the annual report, with financial monitoring of the cashflow and balance sheet occurring on a monthly basis at senior management level and bi-monthly at board level.

The trustees are confident the charity will remain a going concern in the coming twelve months, for the following reasons: the trustees have projected forward the charity's budget and cashflow position to 31 March 2021 which shows a positive balance sheet position; a programme of fundraising additional income from grants has been successful in securing significant sources of grant income for projects and contributions to existing running costs to mitigate the loss of income from temporary Covid-19 related closures in 2020; projected income is not reliant on any single source, and is secured from a mix of self-generated income from hire, sales and donations, in addition to grant income; cashflow is monitored in detail on a weekly basis to ensure liabilities are settled: this monitoring will continue in the coming year. The charity's negative unrestricted funds at 31 March 2020 was in part due to the charity deferring income for future hire of its spaces (i.e. hire that is to take place after 31 March 2020). This deferred income is only due for repayment to hirers if a hire is cancelled, and the majority of the deferred hire income relates to the hire of gallery spaces, which are in high demand and are fully booked in advance. The emergency grant funding received by the charity in 2020 covered any refunds due from temporary closures during 2020.

### **Plans for the Future**

The Horsebridge Centre's board and team remain committed to the outcomes from the 2017 Feasibility Study and the development of a sustainable arts centre for the district. This will continue to shape the strategy of the Centre for future years. In the meantime, securing the immediate future of the Centre has taken priority and focus has had to be on the Improvement Grant and this continues into its final year next year and beyond with regards to understanding future grant opportunities locally.

Increasing the income from grant funding, both core-cost funding and project based restricted funds, will continue to be critical next year if the Centre is to be in a position to reduce the deficit position and develop reserves. The ability of the Centre to deliver multiple projects through the year has enabled us to create innovative outreach programmes and to build on projects that enhance the learning opportunities within the Centre. Building on these and increasing the diversity of the audience we serve will be closely monitored over the next year constraints from the pandemic allowing.

We will ensure that the growth of the commercial trading income potential of the shop continues and seek to invest more in this area to ensure growth continues. The Horsebridge Centre will continue building on the development strategies for the gallery spaces to deliver an increase in quality for visitors and broaden the accessibility for exhibitors in these spaces. We will increase the range of supporting activities to build the cohesion of the arts offering within the Centre.

Fundamentally we will continue to develop the Centre as a resource to enrich the lives of the local community whilst attracting seasonal visitors and expanding our customer and friends base.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

The Horsebridge Arts and Community Centre is a charitable company limited by guarantee, incorporated on 8 April 2003 and registered as a charity on 22 September 2003. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1. The directors of the company are also charity Trustees for the purposes of charity law and under the company's Articles are known as Trustees.

### **Recruitment and appointment of the Board of Trustees**

Under the requirements of the Memorandum and Articles of Association there shall be not less than six and not more than twelve Trustees. Canterbury City Council is entitled to nominate an observer who will work with the Board of Trustees and attend board meetings. One third of the Trustees must retire at each AGM, those longest in office retiring first.

Membership of the charity is open to any individual or organisation interested in promoting its objects. A new protocol is in place for recruiting and selecting Trustees and there is the intent next year to grow the board following this process. Potential trustees are invited to meet with the Chair and/or Vice Chair as part of this process.

The Trustees may at any time co-opt any person duly qualified to be appointed as a Trustee to fill a vacancy in their number or as an additional Trustee, but a co-opted Trustee only holds office until the next AGM. At an AGM the members elect persons to be Trustees to fill the vacancies.

**TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2020**

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**Trustee Induction and Training**

New Trustees will meet with the Chair and/or Vice Chair and are provided with an induction pack on 'Being a Trustee of the Horsebridge Arts and Community Centre' which explains the aims of the Horsebridge, and the nature and responsibilities of the Trustee role. Further information, including a copy of the Memorandum and Articles of Association and current financial information, is provided. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. We will continue to develop the induction and performance review processes for Trustees in the coming year.

**Risk Management**

Policies and process continue to be reviewed to achieve best practice within the organisation. Changes in personnel and supporting technology have significantly improved our financial processes. An analysis of our financial position is available to the board on a monthly basis, with weekly financial reviews within the management team. The board and senior management team monitor the organisational and operational risks and operational efficiencies to make the best use of our resources. The board continues to consider the very real possibility of decreases in local funding and impacts of Covid-19 pandemic measures on grant availability. Work continues on a more formal risk management strategy.

**Organisation**

The Board of Trustees meets bi-monthly (plus additional meetings as required) and has control of the Charity and its property and funds.

The Centre Director has day-to-day responsibility for the provision of services in line with the policies and plans agreed by the Board. The Centre Director, Finance Manager and Deputy Director form the senior management team. The Director and Deputy Director supervise the staff team, which consists of one full-time and nine part-time staff as well as some casual staff who provide cover in busy times. The Centre also has a number of regular and dedicated volunteers who provide staffing for our reception desk, events and in maintaining the Centre.

**Related Parties**

None of our Trustees receive remuneration or other benefit from their work with the charity. Any conflict of interest faced by a Trustee must be declared. There have been no such declarations in the current year.

The Horsebridge Arts and Community Centre was the sole shareholder of The Horsebridge Cafe Limited, but this ceased trading on 31 May 2019 with the café service now being delivered by Cafe Revival of Mind In Bexley.

**Trustees' responsibilities in relation to the financial statements**

The Trustees confirm that the annual report and the financial statements of the company comply with the current statutory requirements of the company's governing document and the provisions of the Charities SORP (FRS 102) and the Companies Act 2006.

Signed by order of the trustees on

by:

Mrs Z A Cloke

## INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF

### HORSEBRIDGE ARTS AND COMMUNITY CENTRE

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I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2020 which are set out on pages 15 to 26.

#### **Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

#### **Independent examiner's statement**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- 1 accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the accounting requirements of section 386 of the 2006 Act other than any requirements that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4 the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

**S J Wren FCCA**  
**Accountancy Matters (Kent) Limited**  
**Chartered Certified Accountants**  
**31 Queen Street**  
**Ramsgate**  
**Kent CT11 9DZ**

Date :

# HORSEBRIDGE ARTS AND COMMUNITY CENTRE

## STATEMENT OF FINANCIAL ACTIVITIES (incorporating an Income and Expenditure Account) FOR THE YEAR ENDED 31 MARCH 2020

|                                                                   | Notes | Unrestricted<br>funds  | Restricted<br>funds  | Total<br>funds<br>2020 | Total<br>funds<br>2019 |
|-------------------------------------------------------------------|-------|------------------------|----------------------|------------------------|------------------------|
|                                                                   |       | £                      | £                    | £                      | £                      |
| <b>INCOME</b>                                                     |       |                        |                      |                        |                        |
| Income from charitable activities                                 | 2     | 118,451                | 66,351               | 184,802                | 190,542                |
| Income from other trading activities                              | 3     | 48,210                 | 500.00               | 48,710                 | 31,011                 |
| Donations                                                         | 4     | 6,126                  | 25,250               | 31,376                 | 5,967                  |
| Investment income                                                 |       | 4                      | -                    | 4                      | -                      |
| <b>TOTAL INCOME</b>                                               |       | <u>172,791</u>         | <u>92,101</u>        | <u>264,892</u>         | <u>227,520</u>         |
| <b>EXPENDITURE</b>                                                |       |                        |                      |                        |                        |
| Costs of raising funds                                            | 5     | 30,914                 | 3,831                | 34,745                 | 27,176                 |
| Charitable activities                                             | 5     | 153,655                | 72,579               | 226,234                | 228,091                |
| <b>TOTAL EXPENDITURE</b>                                          |       | <u>184,569</u>         | <u>76,410</u>        | <u>260,979</u>         | <u>255,267</u>         |
| <b>NET (EXPENDITURE)/INCOME FOR THE YEAR<br/>BEFORE TRANSFERS</b> | 6     | (11,778)               | 15,691               | 3,913                  | (27,747)               |
| Transfers between funds                                           | 14    | <u>14,003</u>          | <u>(14,003)</u>      | <u>-</u>               | <u>-</u>               |
| <b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>                         |       | 2,225                  | 1,688                | 3,913                  | (27,747)               |
| Balance as at 1 April 2019                                        |       | <u>(50,693)</u>        | <u>8,703</u>         | <u>(41,990)</u>        | <u>(14,243)</u>        |
| <b>BALANCE AT 31 MARCH 2020</b>                                   |       | <u><u>(48,468)</u></u> | <u><u>10,391</u></u> | <u><u>(38,077)</u></u> | <u><u>(41,990)</u></u> |

# HORSEBRIDGE ARTS AND COMMUNITY CENTRE

## BALANCE SHEET AS AT 31 MARCH 2020

|                                                                | Notes | 2020<br>£                          | 2019<br>£                          |
|----------------------------------------------------------------|-------|------------------------------------|------------------------------------|
| <b>FIXED ASSETS</b>                                            |       |                                    |                                    |
| Tangible assets                                                | 8     | 5,142                              | 7,798                              |
| Investments                                                    | 9     | <u>1</u>                           | <u>1</u>                           |
|                                                                |       | 5,143                              | 7,799                              |
| <b>CURRENT ASSETS</b>                                          |       |                                    |                                    |
| Stock                                                          |       | 4,114                              | 2,383                              |
| Debtors and prepayments                                        | 10    | 12,509                             | 23,620                             |
| Cash at bank and in hand                                       |       | <u>1,461</u>                       | <u>4,451</u>                       |
|                                                                |       | 18,084                             | 30,454                             |
| <b>CREDITORS: amounts falling due within one year</b>          | 11    | <u>(61,304)</u>                    | <u>(78,777)</u>                    |
| <b>NET CURRENT LIABILITIES</b>                                 |       | <u>(43,220)</u><br><u>(38,077)</u> | <u>(48,323)</u><br><u>(40,524)</u> |
| <b>CREDITORS: Amounts falling due after more than one year</b> | 12    | -                                  | (1,466)                            |
| <b>NET LIABILITIES</b>                                         | 13    | <u>(38,077)</u>                    | <u>(41,990)</u>                    |
| Represented by:                                                |       |                                    |                                    |
| <b>FUNDS OF THE CHARITY</b>                                    |       |                                    |                                    |
| Unrestricted general fund                                      | 14    | (48,468)                           | (50,693)                           |
| Restricted funds                                               | 14    | <u>10,391</u>                      | <u>8,703</u>                       |
| <b>TOTAL FUNDS</b>                                             |       | <u>(38,077)</u>                    | <u>(41,990)</u>                    |

For the financial year ended 31 March 2020 the company was entitled to exemption from audit under s.477 Companies Act 2006 and no members have deposited a notice under s.476 requiring an audit.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with s.386 of the Act for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The accounts are prepared in accordance with the provisions applicable to companies subject to the small companies' regime in part 15 of the Companies Act 2006 relating to small companies and in accordance with the Charities SORP (FRS 102).

Approved and signed for issue by the trustees on

Mrs Z A Cloke

Mr S A Lawton

Company number - 04727071

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

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**1 ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland FRS 102 (effective 1 January 2019) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102 and the Companies Act 2006.

Horsebridge Arts and Community Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The principal accounting policies adopted are as follows:

**a) Preparation of the accounts on a going concern basis**

The trustees are confident the charity will remain a going concern in the coming twelve months, for the following reasons: the trustees have projected forward the charity's budget and cashflow position to 31 March 2021 which shows a positive balance sheet position; a programme of fundraising additional income from grants has been successful in securing significant sources of grant income for projects and contributions to existing running costs to mitigate the loss of income from temporary Covid-19 related closures in 2020; projected income is not reliant on any single source, and is secured from a mix of self-generated income from hire, sales and donations, in addition to grant income; cashflow is monitored in detail on a weekly basis to ensure liabilities are settled: this monitoring will continue in the coming year. The charity's negative unrestricted funds at 31st March 2020 was in part due to the charity deferring income for future hire of its spaces (ie hire that is to take place after 31 March 2020). This deferred income is only due for repayment to hirers if a hire is cancelled, and the majority of the deferred hire income relates to the hire of gallery spaces, which are in high demand and are fully booked in advance. The emergency grant funding received by the charity in 2020 covered any refunds due from temporary closures during 2020.

**b) Consolidation**

The charity and its subsidiary undertaking comprise a small group and have therefore taken advantage of the exemption provided by section 398 of the Companies Act not to prepare group accounts.

**c) Incoming resources**

Fees receivable - are included when the Charity is legally entitled to the income, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably. As from 1 April 2017, income receivable where part, or all of such income is legally due to a third party, has been reduced by the amount payable to the third party.

Grants receivable - grants made to finance the activities of the Charity are credited to the Statement of Financial Activities (SOFA) in the period to which they relate.

Other income - other income, including donations and gifts are included as they were received.

Deferred income - income received in advance of the period to which it relates is reflected in deferred income within the balance sheet.

**d) Resources expended**

All expenditure is accounted for on an accruals basis and includes VAT where applicable. All expenditure directly related to the provision of service delivery is included within the charitable expenditure. Other costs incurred have been allocated between activities for generating funds and governance as appropriate. Where such costs relate to more than one functional cost category they have been split on an estimate of time spent.

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

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**1 ACCOUNTING POLICIES**

**e) Depreciation of fixed assets**

Tangible fixed assets costing more than £200 are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows :

|                                  |                   |
|----------------------------------|-------------------|
| Fixtures, fittings and equipment | 20% straight line |
|----------------------------------|-------------------|

**f) Stock**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**g) Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Income received for restricted purposes is included in a separate restricted fund against which appropriate expenditure is allocated.

**h) Pensions**

The pension cost charge in the Statement of Financial Activities represent the contributions payable by the Charity in the relevant year.

**i) Significant judgements and estimates**

No significant judgements or estimates have had to be made by the Trustees in preparing these financial statements.

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

**2 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

|                                 | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2020<br>Total<br>funds<br>£ | 2019<br>Total<br>funds<br>£ |
|---------------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| <b>Grants :</b>                 |                            |                          |                             |                             |
| Canterbury City Council         | 46,000                     | -                        | 46,000                      | 48,550                      |
| Big Lottery Fund                | -                          | 11,605                   | 11,605                      | 20,881                      |
| National Lottery Awards for All | -                          | 9,836                    | 9,836                       | 8,650                       |
| National Lottery Heritage Fund  | -                          | 44,910                   | 44,910                      | 9,200                       |
| The Henry Smith Charity         | -                          | -                        | -                           | 6,000                       |
| Arts Council England            | -                          | -                        | -                           | 13,600                      |
| <b>Fees receivable :</b>        |                            |                          |                             |                             |
| Venue hire                      | 67,522                     | -                        | 67,522                      | 78,504                      |
| Box office income               | 3,346                      | -                        | 3,346                       | 3,037                       |
| Inhouse activities              | 1,583                      | -                        | 1,583                       | 2,120                       |
|                                 | <u>118,451</u>             | <u>66,351</u>            | <u>184,802</u>              | <u>190,542</u>              |

**3 INCOME FROM OTHER TRADING ACTIVITIES**

|                                   | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2020<br>Total<br>funds<br>£ | 2019<br>Total<br>funds<br>£ |
|-----------------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Rental income                     | 7,190                      | -                        | 7,190                       | 2,237                       |
| Advertising income                | 6,130                      | -                        | 6,130                       | 5,990                       |
| Shop income                       | 25,074                     | -                        | 25,074                      | 20,871                      |
| Café income                       | 979                        | -                        | 979                         | -                           |
| Commission from third party sales | 148                        | -                        | 148                         | 506                         |
| Membership income                 | 3,601                      | -                        | 3,601                       | 580                         |
| Auction                           | 4,036                      | -                        | 4,036                       | -                           |
| Sundry income                     | 1,052                      | 500                      | 1,552                       | 827                         |
|                                   | <u>48,210</u>              | <u>500</u>               | <u>48,710</u>               | <u>31,011</u>               |

**4 DONATIONS AND GRANTS**

|                           | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2020<br>Total<br>funds<br>£ | 2019<br>Total<br>funds<br>£ |
|---------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Donations                 | 6,126                      | -                        | 6,126                       | 5,667                       |
| <b>Grants:</b>            |                            |                          |                             |                             |
| Canterbury Arts Council   | -                          | (150)                    | (150)                       | 300                         |
| David Family Foundation   | -                          | 10,000                   | 10,000                      | -                           |
| The Foyle Foundation      | -                          | 10,000                   | 10,000                      | -                           |
| Kent Community Foundation | -                          | 3,500                    | 3,500                       | -                           |
| Cleary Foundation         | -                          | 1,500                    | 1,500                       | -                           |
| WH Smith                  | -                          | 200                      | 200                         | -                           |
| Whit & Herne Bay Lions    | -                          | 200                      | 200                         | -                           |
|                           | <u>6,126</u>               | <u>25,250</u>            | <u>31,376</u>               | <u>5,967</u>                |

Of the total income in 2019 of £227,520, £168,889 was unrestricted and £58,631 was restricted.

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

**5 TOTAL RESOURCES EXPENDED**

|                                            | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2020<br>Total<br>funds<br>£ | 2019<br>Total<br>funds<br>£ |
|--------------------------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Costs of activities for generating funds : |                            |                          |                             |                             |
| Shop purchases                             | 11,463                     | -                        | 11,463                      | 11,929                      |
| Wage costs                                 | 7,102                      | -                        | 7,102                       | 6,943                       |
| Website                                    | -                          | -                        | -                           | 233                         |
| Café closure costs                         | 6,053                      | -                        | 6,053                       | -                           |
| Publicity                                  | 6,296                      | 3,831                    | 10,127                      | 8,071                       |
|                                            | <u>30,914</u>              | <u>3,831</u>             | <u>34,745</u>               | <u>27,176</u>               |
| Service delivery costs                     |                            |                          |                             |                             |
| Wage costs                                 | 62,094                     | 43,514                   | 105,608                     | 106,266                     |
| Event and activity costs                   | 1,285                      | 27,226                   | 28,511                      | 22,463                      |
| Rates and water                            | 6,418                      | -                        | 6,418                       | 7,729                       |
| Light and heat                             | 14,034                     | -                        | 14,034                      | 11,242                      |
| Repairs and maintenance                    | 95                         | 710                      | 805                         | 1,019                       |
| Cleaning and waste                         | 4,746                      | -                        | 4,746                       | 4,774                       |
| Travelling costs                           | 49                         | 740                      | 789                         | 263                         |
| Licences and memberships                   | 848                        | 35                       | 883                         | 966                         |
| Insurances                                 | 1,623                      | -                        | 1,623                       | 1,784                       |
| Support costs                              |                            |                          |                             |                             |
| Wage costs                                 | 40,722                     | -                        | 40,722                      | 39,350                      |
| Bad debts                                  | 90                         | -                        | 90                          | 167                         |
| Welfare and training                       | 638                        | -                        | 638                         | 4,588                       |
| Telephone                                  | 2,141                      | -                        | 2,141                       | 1,970                       |
| Postage and stationery                     | 609                        | 314                      | 923                         | 991                         |
| IT and equipment costs                     | 1,877                      | 22                       | 1,899                       | 4,621                       |
| Bank and credit card charges               | 2,385                      | -                        | 2,385                       | 2,400                       |
| Loan charges and interest                  | 400                        | -                        | 400                         | 400                         |
| Payroll fees                               | 792                        | -                        | 792                         | 792                         |
| Bookkeeping software                       | 259                        | -                        | 259                         | 629                         |
| Legal and professional fees                | (387)                      | -                        | (387)                       | 3,512                       |
| General expenses                           | 418                        | 18                       | 436                         | 288                         |
| Depreciation                               | 6,375                      | -                        | 6,375                       | 6,005                       |
| Loss on disposal of fixed assets           | -                          | -                        | -                           | -                           |
| Governance costs                           |                            |                          |                             |                             |
| Wage costs                                 | 4,524                      | -                        | 4,524                       | 4,372                       |
| Independent Examiner's fee                 | 1,620                      | -                        | 1,620                       | 1,500                       |
|                                            | <u>153,655</u>             | <u>72,579</u>            | <u>226,234</u>              | <u>228,091</u>              |
|                                            | <u>184,569</u>             | <u>76,410</u>            | <u>260,979</u>              | <u>255,267</u>              |

Of the total expenditure in 2019 of £255,267, £192,652 was unrestricted and £62,615 was restricted.

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

| <b>6 NET INCOME</b>                 | <b>2020</b> | <b>2019</b> |
|-------------------------------------|-------------|-------------|
|                                     | <b>£</b>    | <b>£</b>    |
| This is stated after charging:      |             |             |
| Depreciation                        | 6,375       | 6,005       |
| Independent Examiner's remuneration | 1,620       | 1,500       |

| <b>7 INFORMATION REGARDING EMPLOYEES</b> | <b>2020</b>    | <b>2019</b>    |
|------------------------------------------|----------------|----------------|
|                                          | <b>£</b>       | <b>£</b>       |
| Wages and salaries                       | 142,366        | 143,446        |
| Sub contract labour                      | 6,194          | 5,390          |
| Social security costs                    | 7,444          | 7,429          |
| Pension contributions                    | 4,952          | 3,666          |
| Employment Allowance                     | (3,000)        | (3,000)        |
|                                          | <b>157,956</b> | <b>156,931</b> |

The average monthly head count was 12 staff (2019 - 13 staff).

The average number of employees based on full time equivalents analysed by function was:

|                               | <b>2020</b>   | <b>2019</b>   |
|-------------------------------|---------------|---------------|
|                               | <b>Number</b> | <b>Number</b> |
| Service delivery              | 6             | 6             |
| Management and administration | 2             | 2             |
|                               | <b>8</b>      | <b>8</b>      |

No employee received remuneration of more than £60,000.

No trustees received remuneration or expenses from the charity during the year (2019- £Nil).

The total employee benefits (including employers national insurance) of the key management personnel of the charity were £62,290 (2019 - £60,387)

| <b>8 TANGIBLE FIXED ASSETS</b> | <b>Fixtures<br/>fittings &amp;<br/>equipment</b> | <b>Total</b>  |
|--------------------------------|--------------------------------------------------|---------------|
|                                | <b>£</b>                                         | <b>£</b>      |
| <b>Cost</b>                    |                                                  |               |
| As at 1 April 2019             | 37,102                                           | 37,102        |
| Additions                      | 3,719                                            | 3,719         |
| Disposals                      | -                                                | -             |
| As at 31 March 2020            | <b>40,821</b>                                    | <b>40,821</b> |
| <b>Depreciation</b>            |                                                  |               |
| As at 1 April 2019             | 29,304                                           | 29,304        |
| Charge for the year            | 6,375                                            | 6,375         |
| Eliminated in disposals        | -                                                | -             |
| As at 31 March 2020            | <b>35,679</b>                                    | <b>35,679</b> |
| <b>Net book value</b>          |                                                  |               |
| As at 31 March 2020            | <b>5,142</b>                                     | <b>5,142</b>  |
| As at 31 March 2019            | <b>7,798</b>                                     | <b>7,798</b>  |

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

| <b>9 INVESTMENTS</b> | <b>2020</b> | <b>2019</b> |
|----------------------|-------------|-------------|
|                      | <b>£</b>    | <b>£</b>    |
| Cost                 | 1           | 1           |

The investment is in respect of the charity's 100% owned subsidiary- Horsebridge Café Limited, a company registered in England. The company's principal activity is the operation of a café at The Horsebridge Centre.

|                                                |         |         |
|------------------------------------------------|---------|---------|
| Horsebridge Café Limited                       |         |         |
| (Loss)/Profit for the period ended 31 May 2019 | (1,005) | (2,231) |
| Capital and reserves as at 31 May 2019         | (4,964) | (3,959) |

As stated in Note 18 below, Horsebridge Café Limited ceased trading on 31 May 2019 and the final statutory accounts have been prepared for the period from 1 April 2018 to 31 May 2019. The Trustees have requested that the company be struck off and the costs of closure have been shown in Note 5 above.

| <b>10 DEBTORS</b>                | <b>2020</b> | <b>2019</b> |
|----------------------------------|-------------|-------------|
|                                  | <b>£</b>    | <b>£</b>    |
| Trade debtors                    | 4,980       | 11,650      |
| Amount owed by group undertaking | -           | 2,310       |
| Other debtors                    | -           | 169         |
| Prepayments                      | 6,359       | 8,782       |
| Accrued income                   | 1,170       | 709         |
|                                  | 12,509      | 23,620      |

| <b>11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b> | <b>2020</b> | <b>2019</b> |
|----------------------------------------------------------|-------------|-------------|
|                                                          | <b>£</b>    | <b>£</b>    |
| Bank overdraft                                           | 6,726       | -           |
| Trade creditors                                          | 20,349      | 23,506      |
| Taxation and social security                             | 1,070       | 2,089       |
| Other creditors                                          | 1,489       | 545         |
| Loan - Kent Community Foundation                         | 1,467       | 1,600       |
| Accruals                                                 | 7,813       | 8,435       |
| Deferred income                                          | 22,390      | 42,602      |
|                                                          | 61,304      | 78,777      |

| <b>12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b> | <b>2020</b> | <b>2019</b> |
|-------------------------------------------------------------------|-------------|-------------|
|                                                                   | <b>£</b>    | <b>£</b>    |
| Loan - Kent Community Foundation                                  | -           | 1,466       |
|                                                                   | -           | 1,466       |

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

| <b>13 ANALYSIS OF NET ASSETS BETWEEN FUND</b> | <b>General funds<br/>£</b> | <b>Restricted funds<br/>£</b> | <b>Total<br/>£</b> |
|-----------------------------------------------|----------------------------|-------------------------------|--------------------|
| Fixed assets                                  | 5,142                      | -                             | 5,142              |
| Investments                                   | 1                          | -                             | 1                  |
| Current assets                                | 7,693                      | 10,391                        | 18,084             |
| Current liabilities                           | (61,304)                   | -                             | (61,304)           |
| Long term liabilities                         | -                          | -                             | -                  |
| <b>Net assets as at 31 March 2020</b>         | <b>(48,468)</b>            | <b>10,391</b>                 | <b>(38,077)</b>    |

**ANALYSIS OF NET ASSETS BETWEEN FUND - PREVIOUS YEAR**

|                                       | <b>General funds<br/>£</b> | <b>Restricted funds<br/>£</b> | <b>Total<br/>£</b> |
|---------------------------------------|----------------------------|-------------------------------|--------------------|
| Fixed assets                          | 7,798                      | -                             | 7,798              |
| Investments                           | 1                          | -                             | 1                  |
| Current assets                        | 21,751                     | 8,703                         | 30,454             |
| Current liabilities                   | (78,777)                   | -                             | (78,777)           |
| Long term liabilities                 | (1,466)                    | -                             | (1,466)            |
| <b>Net assets as at 31 March 2019</b> | <b>(50,693)</b>            | <b>8,703</b>                  | <b>(41,990)</b>    |

| <b>14 MOVEMENT IN FUNDS</b>     | <b>As at<br/>1 04 2019<br/>£</b> | <b>Incoming<br/>resources<br/>£</b> | <b>Outgoing<br/>resources<br/>£</b> | <b>Transfers<br/>£</b> | <b>As at<br/>31 03 2020<br/>£</b> |
|---------------------------------|----------------------------------|-------------------------------------|-------------------------------------|------------------------|-----------------------------------|
| <b>Restricted funds</b>         |                                  |                                     |                                     |                        |                                   |
| The Henry Smith Charity         | 410                              | -                                   | (406)                               | (4)                    | -                                 |
| The Foyle Foundation            | -                                | 10,000                              | (6,738)                             | (3,262)                | -                                 |
| National Lottery Awards for All | -                                | 9,836                               | (3,252)                             | (2,948)                | 3,636                             |
| National Lottery Heritage fund  | -                                | 44,910                              | (41,098)                            | (5,991)                | (2,179)                           |
| Big Lottery Fund                | 8,293                            | 11,605                              | (18,905)                            | (993)                  | -                                 |
| Canterbury Arts Council         | -                                | (150)                               | -                                   | 150                    | -                                 |
| The David Family Foundation     | -                                | 10,000                              | (1,047)                             | (615)                  | 8,338                             |
| Handmade Christmas project      | -                                | 300                                 | (295)                               | (5)                    | -                                 |
| Whitstable Seaside Guide        | -                                | 2,100                               | (2,101)                             | 1                      | -                                 |
| Kent Community Foundation       | -                                | 3,500                               | (2,568)                             | (336)                  | 596                               |
| <b>Total restricted funds</b>   | <b>8,703</b>                     | <b>92,101</b>                       | <b>(76,410)</b>                     | <b>(14,003)</b>        | <b>10,391</b>                     |
| Unrestricted general funds      | (50,693)                         | 172,791                             | (184,569)                           | 14,003                 | (48,468)                          |
| <b>Total funds</b>              | <b>(41,990)</b>                  | <b>264,892</b>                      | <b>(260,979)</b>                    | <b>-</b>               | <b>(38,077)</b>                   |

**RESTRICTED FUNDS****The Henry Smith Charity**

The grant was used towards the Young Digital Makers project, a programme of digital creative activities created by and for disadvantaged young people in and around Whitstable and Herne Bay. The funds were used for staff costs, running costs and equipment.

## RESTRICTED FUNDS

### **The Foyle Foundation**

The grant was used for They Came from the Deep, a summer creative project for young people. The funds were used for staff costs, workshops, materials and a gallery exhibition. The transfer to general funds is a contribution towards the premises costs.

### **National Lottery Awards for All**

The grant was used to deliver Silver Screenings Matinees, affordable film screenings for older and other potentially isolated people. The funds were used for staff costs, new equipment, film licence costs and refreshments. The transfer to general funds is in respect of equipment purchased and is included within fixed assets.

### **National Lottery Heritage Lottery Fund**

The funds were used to deliver a project entitled Pudding Pan Rock, a rediscovery of local heritage by young people. The project connected local young people with Roman and later history, centred around the 'pudding pans', Roman Samian ware pots found by local fishermen. Funds were used for staff costs, professional fees, materials and running costs. The project was completed in April 2020 and the deficit on the fund was met from an agreed final grant payment from the funder in 2020/21, after the project ended. A transfer to general funds has been made to cover premises and other administration costs of the project.

### **Big Lottery Fund - Young Digital Makers**

The grant from the Big Lottery Fund is used to deliver a programme of digital making activities (creative uses of technology) created by and for disadvantaged local young people. The funds are used to employ a project manager and to cover running expenses and equipment. The transfer to general funds is in respect of a contribution towards the premises costs.

### **Canterbury Arts Council - Think of Me project**

The funds were used to run children's workshops for the Think of Me project.

### **The David Family Foundation**

The funds contributed towards a programme of in-house curated exhibitions at the Horsebridge Centre. Funds covered staff costs, materials and the use of exhibition space. The transfer to general funds represents a contribution towards the charity's premises costs. The project continued in 2020/21.

### **Handmade Christmas project**

The funds, from Whitstable and Herne Bay Lions (£200) and WHSmith (£100), contributed towards the production of handmade Christmas decorations, made by local volunteers, which were sold to the public. Funds covered materials costs.

### **Whitstable Seaside Guide**

The funds, from The Cleary Foundation (£1,500), WHSmith (£100) and Robert Brett and Sons (£500) contributed towards the production of an illustrated guidebook for children, families and anyone interested in learning about the flora and fauna that live on local beaches. Funds were used towards design, printing, production and distribution costs.

### **Kent Community Foundation**

The funds, from The Kent Community Foundation Crown Charitable Fund were used for a programme of workshops and an exhibition for a group of people with learning disabilities. The project was delivered in partnership with IO Arts, History and Disability.

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

**14 MOVEMENT IN FUNDS - PREVIOUS YEAR**

|                                 | As at<br>1 04 2018<br>£ | Incoming<br>resources<br>£ | Outgoing<br>resources<br>£ | Transfers<br>£ | As at<br>31 03 2019<br>£ |
|---------------------------------|-------------------------|----------------------------|----------------------------|----------------|--------------------------|
| <b>Restricted funds</b>         |                         |                            |                            |                |                          |
| The Henry Smith Charity         | -                       | 6,000                      | (4,875)                    | (715)          | 410                      |
| Arts Council England            | -                       | 13,600                     | (13,558)                   | (42)           | -                        |
| Heritage Lottery Fund           | -                       | 9,200                      | (6,210)                    | (2,990)        | -                        |
| Big Lottery Fund Awards for All | -                       | 8,650                      | (8,650)                    | -              | -                        |
| Big Lottery Fund                | 17,842                  | 20,881                     | (27,950)                   | (2,480)        | 8,293                    |
| Canterbury Arts Council         | -                       | 300                        | (300)                      | -              | -                        |
| Laptop                          | 72                      | -                          | (72)                       | -              | -                        |
| Tesco Bags of Help              | 1,000                   | -                          | (1,000)                    | -              | -                        |
| Total restricted funds          | 18,914                  | 58,631                     | (62,615)                   | (6,227)        | 8,703                    |
| Unrestricted general funds      | (33,157)                | 168,889                    | (192,652)                  | 6,227          | (50,693)                 |
| Total funds                     | (14,243)                | 227,520                    | (255,267)                  | -              | (41,990)                 |

**RESTRICTED FUNDS - PREVIOUS YEAR****The Henry Smith Charity**

The grant was used towards the Young Digital Makers project, a programme of digital creative activities created by and for disadvantaged young people in and around Whitstable and Herne Bay. The funds were used for staff costs, running costs and equipment. The transfer to unrestricted funds relates to the purchase of a fixed asset

**Arts Council England - Grants for the Arts**

This project, funded from Grants for the Arts, was entitled Why do you never Speak? and involved two art commissions in sound and installation and a rich public programme linked to Turner Contemporary's Journeys with the Wasteland. The funds were used for artistic spending and project support.

**Heritage Lottery Fund**

This project, entitled Think of Me, was a memorial to the soldiers of World War One from Whitstable. The funds were used for research, workshops and an exhibition of cushions created in memory of the soldiers. The transfer to unrestricted general funds relates to a contribution towards the charity's premises costs amounting to £2,250 and £740 relating to the purchase of a fixed asset.

**Big Lottery Fund Awards for All - Historical Waste Map**

This project, funded from Awards for All, was entitled Historical Waste Map. The project engaged the local community in looking after the local marine and beach environment and changing habits on how we create, reduce and reuse waste. The funds were used to run community events including an exhibition and parade. The transfer to unrestricted general funds relates to a contribution towards the charity's premises costs.

**Big Lottery Fund - Young Digital Makers**

The grant from the Big Lottery Fund is used to deliver a programme of digital making activities (creative uses of technology) created by and for disadvantaged local young people. The funds are used to employ a project manager and to cover running expenses and equipment.

**Canterbury Arts Council - Think of Me project**

The funds were used to run children's workshops for the Think of Me project.

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

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**RESTRICTED FUNDS - PREVIOUS YEAR**

**Laptop**

A donation received in the previous year from an individual to fund a laptop and accessories. The laptop was purchased last year and the accessories were purchased this year.

**Tesco Bags of Help - Silver Screenings project**

A grant received in the previous year from the Tesco Bags of Help fund is to be used for a Silver Screenings project, providing an affordable, monthly film matinee, reaching people who are at risk of social exclusion and loneliness.

**15 MEMBERS LIABILITY**

The company is a company limited by guarantee. The members' liability is limited to £1 each.

**16 CORPORATION TAXATION**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**17 RELATED PARTY TRANSACTIONS**

Horsebridge Café Limited, a 100% subsidiary undertaking of the charity, ceased trading on 31 May 2019 and the final statutory accounts were prepared for the period from 1 April 2018 to 31 May 2019. The Trustees have requested that the company be struck off. The costs of closure are met by the charity (shown in Note 5 above) and therefore no balance is owed to the charity by the subsidiary.