

**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 2022**

# **HORSEBRIDGE ARTS AND COMMUNITY CENTRE**

## **CONTENTS FOR THE YEAR ENDED 31 MARCH 2022**

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|                                               | Page |
|-----------------------------------------------|------|
| Trustees' Annual Report                       | 1    |
| Independent Examiner's Report to the Trustees | 12   |
| Statement of Financial Activities             | 13   |
| Balance Sheet                                 | 14   |
| Notes to the Financial Statements             | 15   |

# HORSEBRIDGE ARTS AND COMMUNITY CENTRE

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022

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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 2022.

### 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  
Mr S A Lawton  
Mr L H McMahon  
Mr T Jackaman (Dec'd 29.10.21)  
Mrs A J Memmott  
Cllr V A Kenny (appointed 28.7.21)  
Mrs M Butler (appointed 13.12.21)

|                                 |                                                                                                                            |
|---------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| <b>Key management personnel</b> | The trustees<br>Ms Elizabeth Daone - Executive 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>The Marlowe Innovation Centre<br>Marlowe Way<br>Ramsgate<br>Kent<br>CT12 6FA |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                |                                                                      |
|----------------|----------------------------------------------------------------------|
| <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.

**TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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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**

The centre started this financial year still closed due to the pandemic, not opening until mid May and felt the impact of participants and visitors being wary to return to pre-pandemic interaction. This has not slowed the evolution of the centre and the spaces within it to continue to build on the changes started during the pandemic.

#### **Creative Development**

The centre re-opened with the large community participatory Build a Rainbow project which set the tone for the volume of community engagement and building projects that were to take place throughout a difficult 'return to normal' year. Physically the building evolved creatively, the new Studio launching in July finally establishing a space where creative participation can occur in a light, airy space complete with a bank of sinks to support a diverse range of activities. Through volunteer support the in-house shop, which works to support the career development of local makers and provide access to larger audiences, was remodelled and now showcases work at a professional level. Our visual art spaces have seen a significant growth in the quality, depth and variety of media being presented and explored alongside with exhibitions throughout the year drawing visitors from across the globe to both exhibit and visit. Partnerships and work with artists have seen the launch of Studio Sessions with a focus on donation only participation to encourage anyone in the community to try a new skill and engage in the arts alongside continued development of existing programmes like the Young Makers which held an engaging summer exhibition. Our aim of arts for all saw the launch of an Art Bank at the centre, an initiative to ensure that access to arts materials is not a barrier to creating and experimenting with arts.

#### **Visual arts**

After a non-existent calendar of events in the previous year, this year saw a return to a full programme. A mix of grant funded community project exhibitions, a range of incredible multi-media shows and selling exhibitions meticulously overseen by our Artistic Director ensure we remain true to our Artistic Programme Principle. This mix ensured that thousands of visitors continue to engage in the exhibition spaces and wider education programme. The visual arts programme is now showing a tangible impact on the local economy with both visitors and exhibitors travelling internationally and staying in Whitstable to participate.

**TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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Being embedded in our community and in the environment around us continues to lead our work and specifically our grant funded projects. The Build a Rainbow exhibition was the culmination of an 8 month outreach project that used creativity to help us play our part in combating isolation during the pandemic, with the community created rainbows reflecting the gratitude and impact of Covid-19. Hundreds of rainbows hung silently in the gallery, some with dedications to individuals special to the creators and were a fitting start to a year of recovery. The Young Digital Makers programme ran a summer initiative to support young people aged 8-16 to learn new skills, gain confidence and share their personal experiences of the pandemic through art. All the sessions were fully funded and free with the huge breadth of work created was explored by our visitors in an exhibition in September in our main gallery space.

Our Treasure on the Terrace project created for under 11s and family participation took place over the summer holidays and used our new Studio space to create an undersea adventure that developed a super-sized public art display on our terrace and was open for visitors during the Whitstable Oyster Festival. The themed and theatrical workshops used materials found from beach cleans and donations to create the art display and were supported by activity packs to take away and understand the environmental impacts on our coastline.

The Lino Print exhibition returned in January with over 25 regional, national and international artists, showcasing the diversity and versatility of printmaking as a contemporary art form, by artists pushing the boundaries of relief printing. This exhibition alone brought many new visitors to Whitstable at a economically quiet time for a coastal town and underlined the important role arts play in the local economy. The successful partnership between Ben Dickson and The Horsebridge for two years now sees the exhibition expanding elsewhere in the UK for 2023.

Working to access to the arts for all, we launched Art Bank in October in collaboration with artist Catriona Campbell. The initiative collects unwanted arts and crafts materials and books and offers these on a pay what you can basis to users of the Art Bank. The proceeds from donations and sale of items supports initiatives like Art Bank Live! which provides classes on how to use different materials that have been donated. So far the initiative has been incredibly successful and we hope with funding to expand the Art Bank and extend it beyond the centre in partnership with other community groups.

Throughout the year the gallery spaces supported over 30 exhibitions and showcased the work of hundreds of artists. The breadth of exhibitions from solo work to groups shows featuring a diversity of work, from shows focused on moving image or large scale paintings, to interactive multi-media and sculpture. The growth in the quality and engagement of the exhibitions is underlined from the increased footfall and importantly for selling shows, the increase in sales.

### **Creative Partnerships**

Re-establishing work with partners to deliver high quality artistic work was a vital part of the visual arts programme for the year. The year started with a partnership with artist NaoKo TakaHashi and Resort Studios to bring a participatory project as part of the Estuary Associated programme to Whitstable and Margate, supported using public funding by Arts Council England. 'In the Process of Knitting a Netting' was a site specific spoken word piece designed to be activated by multiple voices of local participants by or on the beach in both Margate and Whitstable at sunset over a series of eight evenings this May and June.

Support from the David Family Foundation enabled multiple partnerships throughout the year. We were able to work with Gateways to the First World War to launch 'Here Dead We Lie' at the centre, an immersive exhibition of beautiful photography and soundscape which explored the landscape and history of the First World War and its commemoration. The exhibition moved on to Passchendaele Memorial Museum in Belgium in 2021-22. The Whitstable School returned with a multi discipline exhibition curated and installed by 6th form students themselves with support from our curation team. We were also able to work with Matt Sands to create a centenary retrospective exhibition showcasing Ben Sands work and provide insights into his early work and practice.

**TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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Working with Reconnect Kent our Young Digital Makers programme delivered a series of creative arts and digital workshops for young people aged 11-16 to help them to reconnect with their hobbies, education and community after the effects of the pandemic. Young people worked with local artists to turn an architects model of The Horsebridge Arts Centre and surrounding buildings into a new interactive art piece. The work was exhibited as part of an interactive exhibition in March 2022.

**Professional Development Opportunities**

We were able to finally build on the work from 2019 and commission, employ and provide development opportunities for artists and creatives in the region. Grant funded projects such as Treasure on the Terrace and the Young Digital Makers programme have relied on a variety of professionals, including model builders, artists, youth workers and project coordinators.

The launch of Studio Sessions have provided the opportunity for creatives to develop professionally and share their skills and passion for their craft, providing alternative income possibilities in a difficult time. Horsebridge managed selling exhibitions like Lino Print 2, Pop up Print shop and Christmas Makers Market have all provided opportunities for creatives to sell work and introduce them to our audience. This is backed up by the in-house shop year round which, following its significant remodelling, focuses on local makers and provides a gentle introduction to the retail space for new makers.

**Events**

Film screenings returned with restricted numbers to encourage a return to participation, mid-week matinees continue to be popular with our social screening format. The Covid cautious environment has enabled older isolated members of our community to socialise safely together and was welcomed by those who haven't felt safe to leave their homes. Across 9 screenings we saw numbers increase from 28 to a max of 65 people in our covid restricted space. For the screenings to continue through next year we will need to ensure they are either grant funded or we have to significantly grow numbers attending. As part of our film programme we had the pleasure of hosting a screening of Ahead of the Curve followed by a drop-in workshop. Through work with partners we have also seen theatre based performances return on a small scale to the performance space, before we can scale this work significantly the space and equipment will need considerable investment.

**Learning and Participation**

It has been the intention of the charity to provide a rounded education programme for a considerable time and this year has seen the grounding of that intent. The launch of Studio Sessions in the new Studio space, initially on a pay what you can donation basis, has grown to a hybrid model that includes paid for sessions and provides a wide variety of craft and art techniques. Over 40 sessions took place with length of sessions varying from one hour to a whole day. As was envisioned the education programme builds on the visual arts taking place in the gallery spaces and the success of this approach was evident with the lino print workshop courses following the Lino Print 2 exhibition. Into the next year we plan to grow this further and build on the variety of creative learning opportunities and work towards the larger plan of including more performance arts sessions and sessions developing use of the digital creative suite.

Our Young Makers after school club compliments our adult learning programme and the programme provides a diverse range of activities for young people to engage in. The Young Makers programme provided over 30 sessions throughout the year ranging from weekly term-time activities to school holiday focused workshop series. Critically the places on the vast majority of these sessions are free or offered at a low cost. A great success story for the centre is to see Young Makers from the start of the project coming back to re-engage over 18 months later and participating in leading sessions with new Young Makers.

### **Community Spaces**

The centre offers an increased range of community spaces that are hired for a broad range of classes, workshops and meetings. Room hire is a competitive market locally, and has demanded that we look to diversify the offer beyond simple rooms for hire. Developing spaces like the digital suite and the new studio will be critical to increasing our room hire over the coming years, and we also have to fill the skills shortfall we face to effectively benefit from the digital suite. Room hire is reliant on small businesses using spaces for classes and workshops and as these have also been impacted by Covid we have not seen the income hoped for in venue hire. This continues to be an area of focus and development for next year.

### **Communications and Digital Engagement**

The natural transition to a more digital focused communication offer during Covid has remained and social media platforms combined with our website and email newsletter have become the primary communication means. The website continues to support modest traffic with around 65,000 page views for the year, social channels combined reach exceeds 150,000, with followers continuing to increase, particularly on Instagram. Use of social media needs to become more sophisticated but restricted staffing levels make this difficult at present, but is something that forms part of the strategy for the centre going forward. Marketing has very little budget and is mainly focused on project work, and expectations of digital reach need to remain realistic until we reach a position to afford a full communication and marketing strategy.

### **Audience Development**

Audience development for the year has been influenced by the impacts of Covid-19 on the community. We have sought opportunities to provide an even more accessible arts space for all, with barriers such as isolation and affordability taking priority, as we have directly seen the impact on the older population and young people. We prioritised enabling the arts centre to be a place to socially engage and immerse in arts experiences without financial barriers to participation, alongside providing a platform for creatives who have been hit hard by the pandemic.

Audience demographic changed compared to previous years with ticketed events showing a higher increase of sales in the local CT1 to CT6 postcodes at 92%, highlighting the trepidation to travel at the start of the year. We have managed to increase the percentage of postcodes captured for events to 79%, but need to look at comprehensive methods to capture demographic information for non-ticketed activities and visitors to exhibition spaces.

### **Commercial Trading Activities**

The Horsebridge Shop continues to be an area of growth for the Centre, both in revenue and in community engagement. A new stock control system put in place before the centre re-opened in May along with the remodelling has seen a near £5,000 income growth on 2019 figures despite being closed for 6 weeks longer. There has been modest investment in Horsebridge commissioned products and expansion of the variety of local artist created merchandise available. To progress further now the shop really needs investment with regards to staff hours to enhance the in-house range of products and commit to taking the shop online.

### **Volunteers**

The Centre is supported by a diverse group of volunteers and we are proud to see the numbers volunteering steadily increasing year on year. Our volunteer pool includes highly-skilled volunteers who dedicate pockets of time to specific tasks which critically support skill gaps in our small staff team; volunteers who regularly support us with customer engagement and support on our front desk; and volunteers who participate in creative sessions and enable initiatives like Art Bank and Handmade Christmas to succeed. Our volunteer team includes individuals with physical disabilities, mental health and learning difficulties. We actively seek to ensure our volunteer community reflects our wider community.

**TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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## **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. As we look to the next year and beyond there will be more changes and demands placed on the team as the offer evolves, but we have every confidence in the team's ability to adapt and remain united in the desire to deliver a flagship arts space for our community.

## **Strategy and Development**

The next two to three 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. We will seek outside support to enable us to critically review our offer and direction and crucially support us in improving the monitoring of the organisation.

The programme for visual arts is well planned and our focus will be on developing the learning programme and building on the knowledge gained this year to leverage the dedicated spaces we have worked hard to establish. We are committed to widen access and to broaden our audience demographic, but this does rely on ensuring we understand how we are reaching groups currently and where we need to build. Fundamentally we will look to ensure we are offering quality arts opportunities that can make a difference to the lives of anyone in our community.

The pandemic showed how well we can work outside of our physical space and re-opening the building highlighted how much time just running the building demands of our staff team. To continue to grow outside our physical space we will need to review staff capacity and increase use of volunteers to enable better deployment of staff. If we are to truly create arts for all, then it is vital that we breakdown the barriers to access and our immediate development goals will focus on the physical, financial and social barriers.

We will continue to drive for high quality and thought-provoking exhibitions in our public gallery spaces and push to tie these further into a cohesive learning programme. We will build on existing cultural and creative partnerships to bring new experiences to the community throughout the centre, pushing beyond the boundaries of the physical space and making more use of the environment we reside in. To achieve this, we need to ensure we have a board and staff team that feel equipped to meet the challenge and have sufficient capacity and training to deliver effectively.

## **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 2021/22 financial year is as follows:

|                             |          |
|-----------------------------|----------|
| Total Income                | 177,015  |
| Total Expenditure           | 223,949  |
| Net Income                  | (46,934) |
| Total funds brought forward | 86,909   |
| Reserves stand at           | 39,975   |

**TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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The most significant impact on income this year was the anticipated end of any core financial support from Canterbury City Council accounting for a £30,000 drop in core grant funding. This was exacerbated by the higher than anticipated drop in earned income from venue hire when compared to pre-pandemic levels: in 2019/20 venue hire was at £67,522. Further to this many grant funders were naturally directing grants to support those directly impacted by the pandemic which created a shortfall in the anticipated restricted grants budget. Whilst we had anticipated an income shortfall for the year and created a designated fund to support this, the ongoing impact well beyond our re-opening exceeded this and led to a higher than desired net income deficit.

Whilst analysis of trading activities is not clear cut, both room hire and the shop achieved proportional budget targets for the period the centre was able to open. Review of rental usage enabled the longer-term rental of one small meeting room as office space for a local company towards the end of the year. This helps to stabilise room hire income for next year, particularly with anticipated disruption continuing from Covid-19. The shop, despite facing issues with stock availability, still managed to achieve targets and it is anticipated to continue to be a growth area for the charity.

**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 ended last year and funding from CCC now relies on an annual application to a Strategic Grant. We were successful in achieving a £5,000 grant this year and CCC continued to support maintenance of the building for another year in support of the impact the pandemic has had. The board remain acutely aware of the pressures on local council budgets and significantly reduced funds available for the arts and anticipate no change in this for the foreseeable future, particularly as the local council has its own arts venues to support outside of Whitstable.

**Fundraising  
Grants**

The team were successful in securing grant funding to support vital community engagement projects alongside a final emergency fund from Arts Council England. Achieving grant funding this year has been particularly difficult and we look to improve the grant pipeline for next year as the impact of the pandemic recedes.

**Friends membership**

We are incredibly grateful to the Friends who have supported us throughout the pandemic and have continued to renew. The focus for next year will be to return to our challenge of the long-term target of 1% of visitors becoming Friends.

**Investment Policy**

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

**TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Reserves Policy and Going Concern**

The reserves policy is 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 reserves policy makes clear the funds of the charity are divided into restricted funds and unrestricted funds in accordance with charity legislation. The charity's reserves are that part of the charity's unrestricted funds that are freely available to spend on any of the charity's purposes.

Our goal is to create free reserves of sufficient funds to cover up to three months operating costs. This will provide for working capital and ensure services can remain fully funded for short periods of time and any cancelled advance hires can be refunded.

As at 31st March 2022, the charity held free reserves of £19,092, along with a designated fixed asset fund of £7,413 and restricted funds of £13,470.

The charity operates with generally predictable levels of unrestricted funds income and steady cash receipts and payments, but with high levels of fixed costs. Unrestricted funds are not reliant on any single source, with the large majority self-generated through hire, sales and donations. The organisation is not reliant on a single funder for more than 20% of its income, with aims to reduce this in future years.

The Trustees also designate a fund equal to the value of fixed assets, and a designated development and sustainability fund to cover the investment required to diversify the charity's income and strengthen its grant portfolio for project delivery. The latter fund has now been expended.

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 2023 which shows a positive balance sheet position; an ongoing programme of fundraising additional income from grants is underway to cover projects and contributions to running costs; 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.

**Plans for the Future**

The Horsebridge Centre's board and team remain committed to delivering a sustainable arts centre for the district. Financially the focus is on generating sufficient income to cover the high levels of fixed costs, made more complex by the pandemic. We continue to reduce our reliance on inconsistent or neutral generated income streams and diversify further.

Increasing the income from grant funding, both core-cost funding and project based restricted funds, will be critical next year given the impact on reserves this year. Continuing to be innovative in our outreach programmes and the benefits they deliver will be key alongside significantly enhancing the learning opportunities within the Centre across our digital and studio spaces. Building on these and increasing the diversity of the audience we serve will be closely monitored over the next year.

We need to build on the shop and make greater use of the online and digital resources to increase sales. The Horsebridge Centre will continue building on the development strategies for the gallery spaces increasing quality for visitors and broadening the accessibility for exhibitors in these spaces. The exhibitions and programmes planned for 2022 and beyond are developing the mediums explored in the spaces and allowing for enhanced programming to be delivered around them.

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. 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.

### **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 impacts of Covid-19 pandemic measures on grant availability. Work continues on a more formal risk management strategy.

**TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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**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 Executive Director has day-to-day responsibility for the provision of services in line with the policies and plans agreed by the Board. The Executive Director, Finance Manager and Deputy Director form the senior management team. The Executive 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.

**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

**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 2022 which are set out on pages 13 to 25.

**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**

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  
The Marlowe Innovation Centre  
Marlowe Way  
Ramsgate  
Kent CT12 6FA**

Date :

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating an Income and Expenditure Account)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

|                                                                   | Notes | Unrestricted<br>funds | Restricted<br>funds  | Total<br>funds<br>2022 | Total<br>funds<br>2021 |
|-------------------------------------------------------------------|-------|-----------------------|----------------------|------------------------|------------------------|
|                                                                   |       | £                     | £                    | £                      | £                      |
| <b>INCOME</b>                                                     |       |                       |                      |                        |                        |
| Income from charitable activities                                 | 2     | 78,029                | 23,144               | 101,173                | 188,838                |
| Income from other trading activities                              | 3     | 43,357                | -                    | 43,357                 | 17,505                 |
| Donations                                                         | 4     | 32,005                | 480                  | 32,485                 | 102,867                |
| Investment income                                                 |       | -                     | -                    | -                      | 9                      |
| <b>TOTAL INCOME</b>                                               |       | <u>153,391</u>        | <u>23,624</u>        | <u>177,015</u>         | <u>309,219</u>         |
| <b>EXPENDITURE</b>                                                |       |                       |                      |                        |                        |
| Costs of raising funds                                            | 5     | 26,315                | 5,878                | 32,193                 | 27,233                 |
| Charitable activities                                             | 5     | 168,119               | 23,637               | 191,756                | 157,000                |
| <b>TOTAL EXPENDITURE</b>                                          |       | <u>194,434</u>        | <u>29,515</u>        | <u>223,949</u>         | <u>184,233</u>         |
| <b>NET (EXPENDITURE)/INCOME FOR THE YEAR<br/>BEFORE TRANSFERS</b> | 6     | (41,043)              | (5,891)              | (46,934)               | 124,986                |
| Transfers between funds                                           | 13    | <u>9,070</u>          | <u>(9,070)</u>       | <u>-</u>               | <u>-</u>               |
| <b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>                         |       | <u>(31,973)</u>       | <u>(14,961)</u>      | <u>(46,934)</u>        | <u>124,986</u>         |
| Balance as at 1 April 2021                                        |       | <u>58,478</u>         | <u>28,431</u>        | <u>86,909</u>          | <u>(38,077)</u>        |
| <b>BALANCE AT 31 MARCH 2022</b>                                   |       | <u><u>26,505</u></u>  | <u><u>13,470</u></u> | <u><u>39,975</u></u>   | <u><u>86,909</u></u>   |

**BALANCE SHEET**  
**AS AT 31 MARCH 2022**

|                                                                | Notes | 2022<br>£       | 2021<br>£       |
|----------------------------------------------------------------|-------|-----------------|-----------------|
| <b>FIXED ASSETS</b>                                            |       |                 |                 |
| Tangible assets                                                | 8     | 7,413           | 8,744           |
| Investments                                                    | 9     | -               | -               |
|                                                                |       | <u>7,413</u>    | <u>8,744</u>    |
| <b>CURRENT ASSETS</b>                                          |       |                 |                 |
| Stock                                                          |       | 7,608           | 5,097           |
| Debtors and prepayments                                        | 10    | 11,909          | 23,754          |
| Cash at bank and in hand                                       |       | <u>61,241</u>   | <u>102,217</u>  |
|                                                                |       | 80,758          | 131,068         |
| <b>CREDITORS: amounts falling due within one year</b>          | 11    | <u>(48,196)</u> | <u>(52,903)</u> |
| <b>NET CURRENT LIABILITIES</b>                                 |       | <u>32,562</u>   | <u>78,165</u>   |
|                                                                |       | 39,975          | 86,909          |
| <b>CREDITORS: Amounts falling due after more than one year</b> |       | -               | -               |
| <b>NET ASSETS/(LIABILITIES)</b>                                | 12    | <u>39,975</u>   | <u>86,909</u>   |
| Represented by:                                                |       |                 |                 |
| <b>FUNDS OF THE CHARITY</b>                                    |       |                 |                 |
| Unrestricted general fund                                      | 13    | 19,092          | 34,734          |
| Designated funds                                               | 13    | 7,413           | 23,744          |
| Restricted funds                                               | 13    | <u>13,470</u>   | <u>28,431</u>   |
| <b>TOTAL FUNDS</b>                                             |       | <u>39,975</u>   | <u>86,909</u>   |

For the financial year ended 31 March 2022 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 2022

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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 2023 which shows a positive balance sheet position; an ongoing programme of fundraising additional income from grants is underway to cover projects and contributions to running costs; 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.

#### b) Income

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.

#### c) Expenditure

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.

#### d) 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 |
|----------------------------------|-------------------|

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**1 ACCOUNTING POLICIES****e) Stock**

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

**f) 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.

**g) Pensions**

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

**h) 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 2022**

**2 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

|                                   | <b>Unrestricted<br/>funds<br/>£</b> | <b>Restricted<br/>funds<br/>£</b> | <b>2022<br/>Total<br/>funds<br/>£</b> | <b>2021<br/>Total<br/>funds<br/>£</b> |
|-----------------------------------|-------------------------------------|-----------------------------------|---------------------------------------|---------------------------------------|
| <b>Grants :</b>                   |                                     |                                   |                                       |                                       |
| Canterbury City Council           | 5,000                               | -                                 | 5,000                                 | 35,000                                |
| Kent County Council               | -                                   | 10,736                            | 10,736                                | -                                     |
| Whitstable Improvement Trust      | -                                   | 2,600                             | 2,600                                 | -                                     |
| National Lottery Heritage Fund    | -                                   | -                                 | -                                     | 4,990                                 |
| National Lottery Community Fund   | -                                   | 9,808                             | 9,808                                 | 9,304                                 |
| The Henry Smith Charity           | -                                   | -                                 | -                                     | 8,000                                 |
| Colyer-Fergusson Charitable Trust | -                                   | -                                 | -                                     | 5,000                                 |
| Kent Community Foundation         | -                                   | -                                 | -                                     | 8,821                                 |
| Arts Council England              | 25,305                              | -                                 | 25,305                                | 110,000                               |
| <b>Fees receivable :</b>          |                                     |                                   |                                       |                                       |
| Venue hire                        | 43,131                              | -                                 | 43,131                                | 7,723                                 |
| Box office income                 | 1,726                               | -                                 | 1,726                                 | -                                     |
| In house activities               | 2,867                               | -                                 | 2,867                                 | -                                     |
|                                   | <u>78,029</u>                       | <u>23,144</u>                     | <u>101,173</u>                        | <u>188,838</u>                        |

**3 INCOME FROM OTHER TRADING ACTIVITIES**

|                                   | <b>Unrestricted<br/>funds<br/>£</b> | <b>Restricted<br/>funds<br/>£</b> | <b>2022<br/>Total<br/>funds<br/>£</b> | <b>2021<br/>Total<br/>funds<br/>£</b> |
|-----------------------------------|-------------------------------------|-----------------------------------|---------------------------------------|---------------------------------------|
| Rental income                     | 4,399                               | -                                 | 4,399                                 | 3,755                                 |
| Advertising income                | -                                   | -                                 | -                                     | 2,040                                 |
| Shop income                       | 29,186                              | -                                 | 29,186                                | 5,067                                 |
| Café income                       | -                                   | -                                 | -                                     | 4,317                                 |
| Commission from third party sales | 6,553                               | -                                 | 6,553                                 | -                                     |
| Membership income                 | 1,876                               | -                                 | 1,876                                 | 2,210                                 |
| Sundry income                     | 1,343                               | -                                 | 1,343                                 | 116                                   |
|                                   | <u>43,357</u>                       | <u>-</u>                          | <u>43,357</u>                         | <u>17,505</u>                         |

**4 DONATIONS AND GRANTS**

|                                  | <b>Unrestricted<br/>funds<br/>£</b> | <b>Restricted<br/>funds<br/>£</b> | <b>2022<br/>Total<br/>funds<br/>£</b> | <b>2021<br/>Total<br/>funds<br/>£</b> |
|----------------------------------|-------------------------------------|-----------------------------------|---------------------------------------|---------------------------------------|
| Donations                        | 4,429                               | 480                               | 4,909                                 | 1,955                                 |
| <b>Grants:</b>                   |                                     |                                   |                                       |                                       |
| Canterbury City Council          | 16,000                              | -                                 | 16,000                                | 41,572                                |
| Coronavirus Job Retention Scheme | 6,576                               | -                                 | 6,576                                 | 53,259                                |
| Garfield Weston Foundation       | 5,000                               | -                                 | 5,000                                 | 5,000                                 |
| Thurrock Council (SECCADS)       | -                                   | -                                 | -                                     | 1,081                                 |
|                                  | <u>32,005</u>                       | <u>480.00</u>                     | <u>32,485</u>                         | <u>102,867</u>                        |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**5 TOTAL RESOURCES EXPENDED**

|                                            | <b>Unrestricted<br/>funds<br/>£</b> | <b>Restricted<br/>funds<br/>£</b> | <b>2022<br/>Total<br/>funds<br/>£</b> | <b>2021<br/>Total<br/>funds<br/>£</b> |
|--------------------------------------------|-------------------------------------|-----------------------------------|---------------------------------------|---------------------------------------|
| Costs of activities for generating funds : |                                     |                                   |                                       |                                       |
| Shop purchases                             | 16,950                              | -                                 | 16,950                                | 5,661                                 |
| Wage costs                                 | 6,821                               | -                                 | 6,821                                 | 6,705                                 |
| Legal and professional fees                | 2,099                               | 5,100                             | 7,199                                 | 12,287                                |
| Publicity                                  | 445                                 | 778                               | 1,223                                 | 2,580                                 |
|                                            | <u>26,315</u>                       | <u>5,878</u>                      | <u>32,193</u>                         | <u>27,233</u>                         |
| Service delivery costs                     |                                     |                                   |                                       |                                       |
| Wage costs                                 | 74,226                              | 13,438                            | 87,664                                | 78,065                                |
| Event and activity costs                   | 4,467                               | 7,742                             | 12,209                                | 1,453                                 |
| Rates and water                            | 5,217                               | -                                 | 5,217                                 | 4,445                                 |
| Light and heat                             | 11,204                              | -                                 | 11,204                                | 10,021                                |
| Repairs and maintenance                    | 8,507                               | 938                               | 9,445                                 | 1,046                                 |
| Cleaning and waste                         | 3,529                               | -                                 | 3,529                                 | 2,496                                 |
| Travelling costs                           | 68                                  | -                                 | 68                                    | 201                                   |
| Licences and memberships                   | 983                                 | -                                 | 983                                   | 1,003                                 |
| Insurances                                 | 1,986                               | 5                                 | 1,991                                 | 1,822                                 |
| Support costs                              |                                     |                                   |                                       |                                       |
| Wage costs                                 | 41,232                              | -                                 | 41,232                                | 37,702                                |
| Bad debts                                  | -                                   | -                                 | -                                     | 812                                   |
| Welfare and training                       | -                                   | -                                 | -                                     | 348                                   |
| Telephone                                  | 1,921                               | -                                 | 1,921                                 | 2,087                                 |
| Postage and stationery                     | 338                                 | -                                 | 338                                   | 287                                   |
| IT and equipment costs                     | 719                                 | 234                               | 953                                   | 2,601                                 |
| Bank and credit card charges               | 2,959                               | -                                 | 2,959                                 | 984                                   |
| Loan charges and interest                  | -                                   | -                                 | -                                     | 67                                    |
| Payroll fees                               | 1,032                               | -                                 | 1,032                                 | 1,920                                 |
| Bookkeeping software                       | 259                                 | -                                 | 259                                   | 259                                   |
| Legal and professional fees                | 13                                  | 1,280                             | 1,293                                 | 13                                    |
| General expenses                           | 141                                 | -                                 | 141                                   | 57                                    |
| Depreciation                               | 3,027                               | -                                 | 3,027                                 | 3,442                                 |
| Loss on disposal of fixed assets           | -                                   | -                                 | -                                     | -                                     |
| Governance costs                           |                                     |                                   |                                       |                                       |
| Wage costs                                 | 4,581                               | -                                 | 4,581                                 | 4,189                                 |
| Independent Examiner's fee                 | 1,710                               | -                                 | 1,710                                 | 1,680                                 |
|                                            | <u>168,119</u>                      | <u>23,637</u>                     | <u>191,756</u>                        | <u>157,000</u>                        |
|                                            | <u>194,434</u>                      | <u>29,515</u>                     | <u>223,949</u>                        | <u>184,233</u>                        |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

| <b>6 NET INCOME</b>                 | <b>2022</b> | <b>2021</b> |
|-------------------------------------|-------------|-------------|
|                                     | <b>£</b>    | <b>£</b>    |
| This is stated after charging:      |             |             |
| Depreciation                        | 3,027       | 3,442       |
| Independent Examiner's remuneration | 1,710       | 1,680       |

| <b>7 INFORMATION REGARDING EMPLOYEES</b> | <b>2022</b>    | <b>2021</b>    |
|------------------------------------------|----------------|----------------|
|                                          | <b>£</b>       | <b>£</b>       |
| Wages and salaries                       | 126,556        | 121,280        |
| Sub contract labour                      | 7,333          | 589            |
| Social security costs                    | 6,202          | 5,428          |
| Pension contributions                    | 4,207          | 3,364          |
| Employment Allowance                     | (4,000)        | (4,000)        |
|                                          | <b>140,298</b> | <b>126,661</b> |

The average monthly head count was 13 staff (2021 - 11 staff).

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

|                               | <b>2022</b>   | <b>2021</b>   |
|-------------------------------|---------------|---------------|
|                               | <b>Number</b> | <b>Number</b> |
| Service delivery              | 5             | 5             |
| Management and administration | 2             | 2             |
|                               | <b>7</b>      | <b>7</b>      |

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

No trustees received remuneration or expenses from the charity during the year (2021- £Nil).

The total employee benefits (including employers national insurance) of the key management personnel of the charity were £63,607 (2021 - £57,893)

| <b>8 TANGIBLE FIXED ASSETS</b> | <b>Fixtures<br/>fittings &amp;<br/>equipment<br/>£</b> | <b>Total<br/>£</b> |
|--------------------------------|--------------------------------------------------------|--------------------|
| <b>Cost</b>                    |                                                        |                    |
| As at 1 April 2021             | 47,865                                                 | 47,865             |
| Additions                      | 1,696                                                  | 1,696              |
| Disposals                      | -                                                      | -                  |
| As at 31 March 2022            | <b>49,561</b>                                          | <b>49,561</b>      |
| <b>Depreciation</b>            |                                                        |                    |
| As at 1 April 2021             | 39,121                                                 | 39,121             |
| Charge for the year            | 3,027                                                  | 3,027              |
| Eliminated in disposals        | -                                                      | -                  |
| As at 31 March 2022            | <b>42,148</b>                                          | <b>42,148</b>      |
| <b>Net book value</b>          |                                                        |                    |
| As at 31 March 2022            | <b>7,413</b>                                           | <b>7,413</b>       |
| As at 31 March 2021            | <b>8,744</b>                                           | <b>8,744</b>       |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

| <b>9 INVESTMENTS</b> | <b>2021</b> | <b>2020</b> |
|----------------------|-------------|-------------|
|                      | <b>£</b>    | <b>£</b>    |
| Cost                 | -           | 1           |

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

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. During the year, the Trustees requested that the company be struck off and the company was dissolved on 29 September 2020.

| <b>10 DEBTORS</b> | <b>2022</b>   | <b>2021</b>   |
|-------------------|---------------|---------------|
|                   | <b>£</b>      | <b>£</b>      |
| Trade debtors     | 5,811         | 8,617         |
| Other debtors     | -             | -             |
| Prepayments       | 4,268         | 2,348         |
| Accrued income    | 1,830         | 12,789        |
|                   | <u>11,909</u> | <u>23,754</u> |

| <b>11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b> | <b>2022</b>   | <b>2021</b>   |
|----------------------------------------------------------|---------------|---------------|
|                                                          | <b>£</b>      | <b>£</b>      |
| Trade creditors                                          | 2,411         | 12,402        |
| Taxation and social security                             | 819           | 1,423         |
| Other creditors                                          | 1,434         | 542           |
| Accruals                                                 | 12,353        | 11,190        |
| Deferred income                                          | 31,179        | 27,346        |
|                                                          | <u>48,196</u> | <u>52,903</u> |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**12 ANALYSIS OF NET ASSETS BETWEEN FUND**

|                                       | <b>General<br/>funds<br/>£</b> | <b>Designated<br/>funds<br/>£</b> | <b>Restricted<br/>funds<br/>£</b> | <b>Total<br/>£</b> |
|---------------------------------------|--------------------------------|-----------------------------------|-----------------------------------|--------------------|
| Fixed assets                          | -                              | 7,413                             | -                                 | 7,413              |
| Current assets                        | 67,288                         | -                                 | 13,470                            | 80,758             |
| Current liabilities                   | (48,196)                       | -                                 | -                                 | (48,196)           |
| Long term liabilities                 | -                              | -                                 | -                                 | -                  |
| <b>Net assets as at 31 March 2022</b> | <b>19,092</b>                  | <b>7,413</b>                      | <b>13,470</b>                     | <b>39,975</b>      |

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

|                                       | <b>General<br/>funds<br/>£</b> | <b>Designated<br/>funds<br/>£</b> | <b>Restricted<br/>funds<br/>£</b> | <b>Total<br/>£</b> |
|---------------------------------------|--------------------------------|-----------------------------------|-----------------------------------|--------------------|
| Fixed assets                          | -                              | 8,744                             | -                                 | 8,744              |
| Current assets                        | 87,637                         | 15,000                            | 28,431                            | 131,068            |
| Current liabilities                   | (52,903)                       | -                                 | -                                 | (52,903)           |
| Long term liabilities                 | -                              | -                                 | -                                 | -                  |
| <b>Net assets as at 31 March 2021</b> | <b>34,734</b>                  | <b>23,744</b>                     | <b>28,431</b>                     | <b>86,909</b>      |

**13 MOVEMENT IN FUNDS**

| MOVEMENT IN FUNDS                 | As at<br>1 04 2021<br>£ | Income Expenditure<br>£                      £ |           | Transfers<br>£ | As at<br>31 03 2022<br>£ |
|-----------------------------------|-------------------------|------------------------------------------------|-----------|----------------|--------------------------|
| <b>Restricted funds</b>           |                         |                                                |           |                |                          |
| The Henry Smith Charity           | 7,892                   | -                                              | (6,892)   | (1,000)        | -                        |
| National Lottery Awards for All   | 3,380                   | -                                              | (2,760)   | (620)          | -                        |
| The David Family Foundation       | 8,338                   | -                                              | (4,056)   | (4,282)        | -                        |
| Kent Community Foundation         | 5,250                   | -                                              | (5,250)   | -              | -                        |
| Kent Community Foundation         | 3,571                   | -                                              | (2,003)   | (1,568)        | -                        |
| National Lottery Community Fund   | -                       | 9,808                                          | (1,024)   | (60)           | 8,724                    |
| KCC (Kent Arts Investment)        | -                       | 1,422                                          | (1,020)   | -              | 402                      |
| KCC (Reconnect)                   | -                       | 4,450                                          | (3,260)   | (1,000)        | 190                      |
| KCC (Build Back Better fund)      | -                       | 4,864                                          | (2,875)   | (540)          | 1,449                    |
| Whitstable Improvement Trust      | -                       | 2,600                                          | (45)      | -              | 2,555                    |
| Art Bank                          | -                       | 30                                             | -         | -              | 30                       |
| Individual donation               | -                       | 450                                            | (330)     | -              | 120                      |
| Total restricted funds            | 28,431                  | 23,624                                         | (29,515)  | (9,070)        | 13,470                   |
| <b>Designated funds</b>           |                         |                                                |           |                |                          |
| Fixed assets fund                 | 8,744                   | -                                              | -         | (1,331)        | 7,413                    |
| Development & Sustainability fund | 15,000                  | -                                              | -         | (15,000)       | -                        |
| Total designated funds            | 23,744                  | -                                              | -         | (16,331)       | 7,413                    |
| Unrestricted general funds        | 34,734                  | 153,391                                        | (194,434) | 25,401         | 19,092                   |
| Total funds                       | 86,909                  | 177,015                                        | (223,949) | -              | 39,975                   |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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

The funds were awarded last year for a Young Digital Makers project, helping young people with digital and creative skills. The project was delayed due to the Covid-19 pandemic but was completed in 2021/22. 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. The project was delayed due to the Covid-19 pandemic but was completed in 2021/22.

**The David Family Foundation**

The funds contribute towards a programme of in-house curated exhibitions at the Horsebridge Centre. Funds cover staff costs, materials and the use of exhibition space. The project was delayed due to the Covid-19 pandemic but was completed in 2021/22. The transfer to general funds is a contribution towards the premises costs.

**Kent Community Foundation - Strategic Recovery Fund**

The funds were awarded last year to assist the Horsebridge to adapt its fundraising strategy as a result of the Covid-19 pandemic, in order to run more creative art programmes and become more financially sustainable. The work was completed in 2021/22.

**Kent Community Foundation - Children, Young People & Families Theme (Young Makers Club)**

The funds were awarded last year to run a Young Makers Club, providing creative after school sessions for children and families. The project was delayed due to the Covid-19 pandemic but was completed in 2021/22. The transfer to general funds is a contribution towards the premises costs.

**National Lottery Community fund**

The project will deliver a programme of weekly creative courses, workshops and drop-in sessions supported by volunteers and artists, to encourage more people to get involved in community-based creative activities. The funds will be spent on tutors, staff costs and delivery costs, and the project continues into 2022-23.

**Kent County Council (Kent Arts Investment fund)**

The project provided training and guidance for the charity's staff and Trustees who develop and lead creative and engagement work. The funds were spent on development sessions and associated expenses.

**Kent County Council (Reconnect)**

The project delivered a digital creative project for young people aged 11-16 via a programme of workshops. The funds were spent on tutors, staff costs and delivery costs. The transfer to general funds is a contribution towards the premises costs.

**Kent County Council (Build Back Better fund)**

The project delivered an affordable film programme to reach new audiences, particularly those disadvantaged by the Covid-19 pandemic. The funds were spent on staff costs and delivery costs. The transfer to general funds is a contribution towards the premises costs.

**Whitstable Improvement Trust**

The project was to deliver a community art project in Sea Street, Whitstable, including workshops and an exhibition. The funds are to be spent on artists costs, materials, staff and premises costs.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**RESTRICTED FUNDS - Cont'd**

**Art Bank**

These were specific donations for the Art Bank (a project providing donated art materials).

**Individual donation**

A donation to be used for creative workshops.

**DESIGNATED FUNDS**

**Fixed assets fund**

A fund created by Trustees representing the net book value of the charity's fixed assets at the balance sheet date. Although they are within general funds, the value of the assets cannot be utilised for future expenditure.

**Development & Sustainability fund**

A fund created by the Trustees to cover future losses arising from Covid-19 and to support financial sustainability. This fund utilised additional income received during the Covid pandemic to cover subsequent shortfalls in income as lockdown restrictions were lifted.

**MOVEMENT IN FUNDS - PREVIOUS YEAR**

|                                   | As at<br>1 04 2020<br>£ | Income Expenditure<br>£                  £ |           | Transfers<br>£ | As at<br>31 03 2021<br>£ |
|-----------------------------------|-------------------------|--------------------------------------------|-----------|----------------|--------------------------|
| <b>Restricted funds</b>           |                         |                                            |           |                |                          |
| The Henry Smith Charity           | -                       | 8,000                                      | (108)     | -              | 7,892                    |
| National Lottery Awards for All   | 3,636                   | -                                          | (35)      | (221)          | 3,380                    |
| National Lottery Heritage Fund    | (2,179)                 | 4,990                                      | (2,831)   | 20             | -                        |
| National Lottery Community Fund   | -                       | 9,304                                      | (7,578)   | (1,726)        | -                        |
| Colyer-Fergusson Charitable Trust | -                       | 5,000                                      | (5,000)   | -              | -                        |
| The David Family Foundation       | 8,338                   | -                                          | -         | -              | 8,338                    |
| SECCADS (Thurrock Council)        | -                       | 1,081                                      | (139)     | (942)          | -                        |
| Kent Community Foundation         | -                       | 5,250                                      | -         | -              | 5,250                    |
| Kent Community Foundation         | -                       | 3,571                                      | -         | -              | 3,571                    |
| Kent Community Foundation         | 596                     | -                                          | (596)     | -              | -                        |
| Total restricted funds            | 10,391                  | 37,196                                     | (16,287)  | (2,869)        | 28,431                   |
| <b>Designated funds</b>           |                         |                                            |           |                |                          |
| Fixed assets fund                 | -                       | -                                          | -         | 8,744          | 8,744                    |
| Development & Sustainability fund | -                       | -                                          | -         | 15,000         | 15,000                   |
| Total designated funds            | -                       | -                                          | -         | 23,744         | 23,744                   |
| Unrestricted general funds        | (48,468)                | 272,023                                    | (167,946) | (20,875)       | 34,734                   |
| Total funds                       | (38,077)                | 309,219                                    | (184,233) | -              | 86,909                   |

**RESTRICTED FUNDS - PREVIOUS YEAR**

**The Henry Smith Charity**

The funds were awarded for a Young Digital Makers project, helping young people with digital and creative skills. The project was delayed due to the Covid-19 pandemic but is planned to be completed in 2021/22.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**RESTRICTED FUNDS - PREVIOUS YEAR****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. The project was delayed due to the Covid-19 pandemic but it is planned to be completed in 2021/22.

**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. A transfer from general funds has been made to cover a small overspend.

**National Lottery Community Fund - Coronavirus Community Support Fund**

The funds were awarded for the Community Rainbow Project, a creative art activity taking place within the local community to provide support during the Covid-19 pandemic. The funds were spent on staff costs, equipment, materials and running costs. The transfer to unrestricted funds is in respect of fixed assets purchased during the year.

**Colyer-Fergusson Charitable Trust**

The funds were awarded for a Connect in Isolation project during the Covid-19 pandemic, providing a series of community arts projects. The funds were spent on staff costs.

**The David Family Foundation**

The funds contribute towards a programme of in-house curated exhibitions at the Horsebridge Centre. Funds cover staff costs, materials and the use of exhibition space. The project was delayed due to the Covid-19 pandemic but is planned to be completed in 2021/22.

**SECCADS (Thurrock Council)**

The South East Creative, Cultural and Digital Sector (SECCADS) Programme is part funded by the European Regional Development Fund and is a partnership between a group of local authorities led by Thurrock Council. The grant was used to purchase e-commerce and audio-visual equipment to launch an online shop and recording studio. The transfer to unrestricted funds represents a contribution towards fixed assets purchased during the year.

**Kent Community Foundation - Strategic Recovery Fund**

The funds were awarded to assist the Horsebridge to adapt its fundraising strategy as a result of the Covid-19 pandemic, in order to run more creative art programmes and become more financially sustainable. The work was planned to be completed in 2021/22.

**Kent Community Foundation - Children, Young People & Families Theme (Young Makers Club)**

The funds were awarded to run a Young Makers Club, providing creative after school sessions for children and families. The project was delayed due to the Covid-19 pandemic but is planned to be completed in 2021/22.

**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.

**14 MEMBERS LIABILITY**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**14 MEMBERS LIABILITY**

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

**15 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.

**16 RELATED PARTY TRANSACTIONS**

During the year, the charity entered into an agreement with Zoe Cloke for the purchase of artwork to sell at the Centre on a sale or return basis on normal trading terms. During the year goods with a value of £700 were purchased and this amount was unpaid and included in trade creditors at the balance sheet date.

Other than the above, there were no other transactions with related parties that require disclosure.