

COMPANY REGISTRATION NUMBER 04727071

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE
UNAUDITED ACCOUNTS
31 MARCH 2014**

Charity Number 1099570



THE BUBB SHERWIN PARTNERSHIP LTD
Chartered Certified Accountants
100 High Street
Whitstable
Kent
CT5 1AT

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

ACCOUNTS

YEAR ENDED 31 MARCH 2014

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**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name Horsebridge Arts & Community Centre

Charity number 1099570

Company registration number 04727071

Registered office 11 Horsebridge Road
Whitstable
Kent
CT5 1AF

Trustees Mrs Z A Cloke
Cllr A O'Dea
Mr J C Nurden
Mrs S Carfrae
Mr P Elliott
Mr M Hubbard
Ms P Langton
Cllr J H Wratten

Secretary Ms Philippa Langton

Independent examiner Ian C Bubb FCCA
The Bubb Sherwin Partnership Ltd
100 High Street
Whitstable
Kent
CT5 1AT

Bankers Lloyds Bank Plc
43 Sandgate Road
Folkstone
Kent
CT5 1AF

Solicitors Thomson Snell & Passmore
3 Lonsdale Gardens
Tunbridge Wells
Kent

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

CHAIRMAN'S STATEMENT

YEAR ENDED 31 MARCH 2014

What an extraordinary year we have had. When you start a year with events that bring both Kate Adie and Sandi Toksvig into the Centre, you know the rest of the year has a lot to live up to. It has been a busy year for the town and we believe we really are at the heart of the arts in Whitstable.

Our commitment to community, exhibitions, performances and education has not faltered and we were unrelenting in raising funds to improve our offer to the community. The activities available at the Centre continue to grow both in multiplicity and quantity with a sustained emphasis on affordability. We have seen both our comedy and film nights take on momentum and the short film festival was a real highlight in our events calendar.

The galleries continue to showcase the diversity and talent that exists locally and have played host to some truly inspiring exhibitions that have been incredibly well received within the local community and beyond. The return of our open exhibitions A1 and, the never dull, Post Nude, were amongst these. Personally the most inspiring were the Epic Adventures we were all taken on by the under 18s in the community. Their creations across the Arts brought the Centre to life in a dull January and reminded us all of why creativity needs to be able to flourish in the young.

A targeted fund has enabled us to make progress towards our vision of year-round support for artists and creators with the launch of our small shop. Meanwhile the cafe continues to struggle to make ends meet as it balances the provision of an affordable, quality service for the community and maintaining a vital income stream to the Centre. Both of these retail areas will require much focus next year to achieve their aims.

Like the world around us, it has not been an easy year financially, but I am personally proud to see the extraordinary efforts of staff and volunteers beginning to pay off as we make the steps towards the future we all so desire. This year has seen the Centre show a more solid financial footing and our aim from last year to grow steadily over 3 years is certainly heading in the right direction. This does not happen without our increasing number of supporters, the community for whom we exist, and I thank you all.

The board of trustees continues to be a passionate group, determined to ensure the viability and success of the vital resource we have been entrusted with. We welcome the support we have received from our local councils and look to develop an ever more collaborative relationship as we move into the next financial year.

This incredible Centre looks forward to celebrating 10 years next year and that is certainly a time to be thankful to the people that have ensured it provides us all with a place we can laugh, learn and be inspired almost every day of the year. I ask you all in 2014 to not be afraid to join in. Visit the galleries, attend events, throw a party, learn something new or even become a volunteer or trustee. We change and improve because you need us to and we love it.

Thank you.

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

The Trustees are pleased to present their annual report together with the unaudited financial statements of the charity for the year ending 31 March 2014, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purpose.

The financial statements comply with the Memorandum and Articles of Association, and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005).

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the accounts.

THE TRUSTEES

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

Mrs Z A Cloke
Cllr A O'Dea
Mr J C Nurden
Mrs S Carfrae
Mr P Elliott
Mr M Hubbard
Ms P Langton
Cllr J H Wratten

Ms J H Bicheno was appointed as a trustee on 30 April 2014.

Ms S D Cavanagh was appointed as a trustee on 30 April 2014.

Mr P Elliott retired as a trustee on 30 April 2014.

Mr M Hubbard retired as a trustee on 30 April 2014.

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 eight and not more than twelve trustees. Canterbury City Council is entitled to nominate one or two trustees ('Nominated Trustees') at each AGM each to serve for an initial period of one year and to be capable of being nominated for subsequent years. One third of the trustees other than the Nominated 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 the Objects. At an AGM the members elect persons to be trustees to fill the vacancies arising.

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

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.

Trustee induction and training

New trustees 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 by the Centre Director. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Risk management

Following the risk review last year, more robust financial processes have been put in place and continue to be improved. There continues to be a need to establish a more formal risk management strategy.

Organisation

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

The part-time Centre Director has day-to-day responsibility for the provision of services in line with the policies and plans agreed by the Board. The Centre Director supervises the staff team, which consists of two full-time and six 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 a trustee faces must be declared. There have been no such declarations in the current year.

The Horsebridge Arts and Community Centre is the sole shareholder of The Horsebridge Cafe Company, a company limited by guarantee with its own Board of Directors. The Horsebridge Cafe operates the community cafe space, in-house catering and bar facilities.

Trustees' responsibilities in relation to the financial statements

The trustees (who are also directors of Horsebridge Arts & Community Centre for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
-

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant information of which the charitable company's independent examiner is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

OBJECTIVES AND ACTIVITIES

The Board of Trustees continues to pursue the aspirations and overall remit originally established in 2003.

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.

To achieve this aim, we have the following objectives:

- To be welcoming and accessible to all in terms of opening times, facilities and activities.
- To provide good value for the money, hopes and expectations invested in the Centre.
- To engage actively with local groups and individuals so that their needs can be recognised and served effectively.
- To identify potential users of the Centre and understand their needs.
- To actively promote the well-being of local people through their participation in an innovative and creative programme of events.
- To raise funds from a variety of sources in order to further develop the resources available to users of the Centre.
- To work in partnership with cultural, artistic and educational providers to create opportunities for learning and personal and professional development and enjoyment.

The vision that drives our activities year round is to be at the heart of the arts in Whitstable. We strive to connect artists and cultural centres to promote the arts across the depth and breadth of our community and ensure we provide the facilities for development, education and involvement of the community in the arts.

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

The Centre relies on grants and income from hire charges and event fees to cover its operating costs. 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 assists 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. The Centre is open for an average of 80 hours a week and with the exception of the Christmas period when we close for large maintenance work, we are all open year round.

We have four main areas of activity to enable us to drive our vision and strategies. These are: education; community space and engagement; performance programme; and art exhibitions. None of these activities take place in isolation and when fundraising we reach across all our activity streams to ensure the greatest reach and cohesion.

Performance programme

We strive to offer a rounded programme of events to our community, catering for our own events within the Centre and enabling other initiatives to have the opportunity to launch and grow utilising our facilities. Event breadth can be delivered through our flexible range of costing options. These include: the Centre paying a performer/hire fee; the performer paying simple hire charge for a space; and box office splits between the Centre and the performer. Without the range of options, it would be impossible for some performers to take the risk and we feel it is vital to continue to take this well-managed risk to support our community of performers.

Our performance programme within the Centre includes comedy, music, interviews and talks, film nights and literary and theatrical performances. The capability of our event programme this year was highlighted with the absorbing Frontline to Fineline fundraising events with Kate Adie and Sandi Toksvig through to the in-house short film festival initiative. The festival looks to increase ties with other organisations in the district next year and has created a solid base for film nights throughout the year. The event programme this year has made progress by linking with external initiatives to extend the range of events available. We continue to make more use of the café space and look to how this can be improved. We look forward to the WhitLit initiative taking over the centre and supporting with extended use of the facilities and opening up our volunteers' team for additional support.

Community space and engagement

Quite simply we would not exist without our community and the Centre provides a range of spaces for hire by the community. The pricing of our hired space remains competitive and we have continued to offer our cost-effective in-house catering offer. To ensure that the Centre continues to provide for the local community, as with the majority of our charges, those in the CT1-CT6 region access concessionary rates. Our Hub space has proved popular and has allowed us to increase networking and connection meetings, and the refurbishment has increased its appeal significantly. The shop offers us the opportunity to increase the engagement with the community to real benefit for the centre users, both those wishing to sell products and those wishing to support the centre whilst investing in local creators. The Arts Award Development Hub programme will push the community engagement even further next year as we build an arts map for the town in coordination with our counterparts in the creative industry.

Education

We have continued to develop our existing relationships with tutors and learning organisations to provide a variety of classes across the arts, health and well-being. A visitor to the Centre may be greeted with tunes from one of the singing classes, the beat of a Flamenco class or the chorus of toddlers singing French. Equally, the community is provided with the ability to learn new arts, whether creative writing, life drawing or developing performance skills. The class range has continued to

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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

provide the depth necessary to ensure that age is no limitation and the accessibility of the Centre ensures that physical and mental abilities are not a barrier. We rely on our community of tutors to provide classes alongside those we are developing ourselves. Ensuring our charges have reflected the economic climate is the only way we have been able to continue to deliver to our community. We are looking to grow our education offering through the Arts Award initiative and operating as a development Hub in 2014-15.

Art exhibitions

The quality and diversity of shows within the centre has continued to improve this year. We are very aware of the difficulty our current lighting setup causes exhibitors and we have tried particularly hard to obtain grants to overhaul the lighting throughout the building, particularly within the gallery area, but with no success to date. This will continue in earnest into next year until we are successful. The addition of the shop has enabled work to be sold in more places in the building and increased year round visibility of artists work. We have ensured again this year that the community open exhibitions have taken place, even under financial pressures. The engagement with schools is going from strength to strength, with schools not just in the town, but across the district, booking to use the space and next year has some exciting school exhibitions planned. Whitstable Biennale 2014 have great plans for the centre again and we are going to build this further throughout 2014-15.

The galleries really have spread beyond their physical place in the building this year and the Frontline 2 Fineline exhibition highlighted how the entire centre can be absorbed into the creativity. The diversity of creativity within the spaces continues to engage the community, but we are looking to push this further next year and ensure we are engaging even more of the community of artists and visitors. As with every area of our income we have fought hard to keep the fees accessible, ensured concessions are available and looked for inventive ways to open up the exhibition space to the widest section of our community. Opening up the stair space gallery has enabled us to engage more with local schools and offer exhibition space at a rate we couldn't afford elsewhere in the exhibition programme.

We cannot fail to be aware that the gallery spaces are showing the 10 year age of the building and in addition to the lighting alterations, we are planning the maintenance of these spaces to ensure we can improve the quality of offering to our hirers.

Our Values

When providing an arts and community offering we are all too aware that not everyone has the same tastes and some of our art and performance 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 can be heard.

PUBLIC BENEFIT

The Horsebridge had over 115,000 visitors through its doors during the year. These visitors are made up of local and regional visitors as well as a growing number of tourists from the UK and abroad.

Cultural development can stimulate an economy and we provide an outlet for artists to not only sell work or perform, but to use their skills in other ways e.g. education or working with emerging artists. As a district 25% of our population is between the ages of 15-29, driven by the large student population, which is why we have developed our gallery spaces to allow for programmes of work with both under-graduates and graduates. Our classes and events have expanded further to offer a greater range of activities for those between the ages of 0 and 16, with over 20 hours of classes each week and a varied calendar of events during school holidays. Our involvement next year with the Arts Award programme

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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

will continue to cement our commitment to engaging and involving all in the arts from very early in their lives.

The Centre attracts a broad spectrum of community groups and businesses into the building including, but by no means limited to: Age UK, Made in Whitstable, Futures for Children, WI, Muslim Prayer Group, National Careers Service, IFCA, Kent Film Foundation Section 28 Film Club, Art Projects for Schools, Whitstable Fringe, Beach Hut meeting and many more. We work cohesively with our art and performance programming to ensure that we offer events the community can be involved in with no barrier to access, particularly with youth projects and events. In addition, we have been working to reach out further and create ties with other organisations and groups across the district and beyond to enhance the offering to the community. We continue to develop and seek to reach out to sections of our community who may feel there is nothing here for them.

Volunteers

The Centre is very involved in the community and relies increasingly on voluntary help to continue our day-to-day operations. Our dedicated staff team work closely with all our volunteers, assisting those with additional needs and supporting all volunteers with the complexities of the Centre. Without the team of over 30 volunteers the Centre would not be able to be open for as many hours or offer the range of programming. Given the continued pressure of increasing costs, we will become more reliant on volunteers next year to sustain the Centre operationally. We wish to thank them for all their support this year and we always welcome more volunteers.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

ACHIEVEMENTS AND PERFORMANCE

Fundraising

'In conversation' events

As part of the Frontline 2 Fineline exhibition we hosted two conversational fundraising evenings with Kate Adie and Sandi Toksvig, thanks to the support of the exhibitors, Triona Holden and Susan Stein. Not only were these tremendously successful in raising funds, but they were equally beneficial in giving our community the opportunity to engage with these incredible women.

Awards4All

We received a grant to overhaul the Hub space and enable its transformation to an arts education space. The knock-on effect of this is not only in improving our offering of spaces for our education stream, but in enabling a larger space for hire and improving the centres rental income opportunities.

Donations

Capitalising on increased signage last year, we have seen a further increase in our visitor donations following the creation of an interactive donation box that has taken prominent position within our entry space. Our very favourable position by the beach means we attract a significant number of day trip visitors along with our resident community and the donation box has made full use of this.

Development grant for shop

We received a grant to overhaul our reception area to create a retail space and improve other facilities within the building. The impact of this will show in the next financial year, but it has enabled us already to reach out to our creative community and increase our involvement with them. We are looking to

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

continue to capitalise on Horsebridge merchandise and commission local creatives to deliver a greater range of products starting from summer of 2014-15.

Community

We have had a raft of fundraising events this year supported by the community, including Halloween events raffle, pop-up Christmas shop and raffle, and quizzes throughout the year. Along with other events and the continued support of the posters created from donated imagery.

Communication

Brochure

The brochure continues to be designed and produced in-house across our staff and volunteer teams. The digital and paper copies are still produced, although we have reduced the paper copies from 10,000 to 8,000 during quieter quarters. The advertising space is well received and subscribed. We remain fortunate that local schools, businesses and other community spaces continue to act as distribution channels in addition to the Centre itself.

Digital communication and social media

Our website is our channel for up-to-date communications for the wider community. Budgetary restrictions and time availability from staff and volunteers has led to no significant overhaul of the website, but our social media channels have grown in engagement and popularity. We participate actively in online local arts channels and seek to grow this further next year. Given the addition of a physical shop to the building we anticipate being able to overhaul the website next year and incorporate at least showcasing the retail offering, even if we cannot yet build a full retail online space. We are now utilising an online ticket sales offering for all of our events, which is already having a positive impact on sales, complementing our existing phone and email support.

Events

This year our performance programme included 80 different events covering many genres of music, comedy, poetry, children's shows and theatre trips. Comedy brought, amongst others Josie Long and Susan Calman to the centre. The Short film festival brought entries from across the world and deluged us with more quality content than we could feasibly screen in one evening. The creation of the film@horsebridge evenings has been increasing in momentum with sold out events. The success of the event programme is vital, as not only does it have a positive impact on the centres income in its own right, but brings evening income to the cafe as an event bar. The commitment of the staff team to deliver a quality programme that is an attractive proposition across the diversity of the community is consummate.

Galleries

The gallery spaces are a core part of our income stream and have hosted over 70 different exhibitions this year. To see the galleries not be used in isolation, but create engaging events has showcased what can be achieved within the centre. The space was transformed for the Epic Adventures youth exhibition throughout January, highlighting the importance of engaging from an early age and has spurred engagement with the Arts Awards programme. It was important that we obtained significant funding to ensure this exhibition could not only provide a space for display of art, but also provide an interactive environment, with a variety of low-cost workshops and classes from all age ranges.

The three core gallery spaces continue to complement each other with the offering they provide to the community and wider audience. Gallery 3 continued with its popular Post Nude returning this year.

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

Hundreds of postcards were received and displayed, being sent from all across the world. It was a fantastic exhibition for both the local community and engaged our social media channels outside of the district too.

We are very proud to have hosted so many exciting exhibitions this year and look to maintain this momentum and reach further next year.

The workshops and performance space

The risk taken last year to break from the Kent Adult Education (KAE) lease and release the hub has certainly benefited the centre this year. Not only have we continued to host KAE classes, but have created a space that is hired for a multitude of purposes including community exhibitions, meetings and classes. The space has also enabled the Horsebridge to host creative networking events in collaboration with Kent Creative Live and we look forward to extending this networking into next year.

Marketing of all of our spaces increased utilisation over the financial year and has seen a marked increase in our rental income. We look to increase this further still next year, with particular focus on the hub and cafe areas.

Our staff

Our achievements and performance would not have been possible without a dedicated and skilled staff team. Under difficult circumstances they continue to provide a friendly, efficient and meaningful service to our customers. They deserve credit and praise for their enthusiasm and professionalism and their ability to adapt continually to a changing environment.

FINANCIAL REVIEW

The Bubb Sherwin Partnership Ltd have prepared accounts for the AGM meeting and an overview of the Horsebridge financial year 2013/14 is as follows:

Income:	211,633
Expenditure	201,585
Net profit/(loss)	10,048
Reserves stand at	(51,323)

Our principal funding sources are from earned income from renting out our galleries, performance space and workshops, accounting for around £120,000 of income per annum. We have seen a significant increase in voluntary income this year to over £7,500. The remaining income comes from grants from Canterbury City Council, Awards for All and sales and fundraising done at the Centre.

The Centre received an increased contribution from the cafe than that of last year, but it is still not performing at the level we would have hoped for. This will be addressed next year.

Increasing constraints in public expenditure means that support from our local council is unlikely to increase. This combined with above-inflation rises in energy and other costs mean that the centre will have to increase its earned income while remaining competitive. We are looking to overhaul the lighting within the building, as this will have a significant impact on our energy consumption. Whilst we were unable to achieve that this year, we are continuing to find the funding to make this happen.

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2014

Investment policy

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

Reserves policy

Reserves are needed to bridge the gap between the spending and receiving of resources and to cover unplanned emergency repairs and other expenditure.

The Centre's reserves are negative attributable to a series of operating deficits arising in part from reduced local authority grant funding and repayment of loan granted by CCC in 2007. The Board continues to aim for the Centre to be financially self-sufficient over the next three years and thanks CCC for its continued support through limited grant funding and provision of and maintenance of the external parts of the building.

The trustees are fully aware that the absence of reserves, together with the current economic position, provides a challenging environment in which to operate in the coming year. The trustees are continuing to address the situation and aim to achieve a nil balance before starting to develop reserves as a matter of urgency.

PLANS FOR FUTURE PERIODS

The Horsebridge Arts & Community Centre is planning to enrich the lives of local people by developing as a resource for local people and local community groups, and to contribute to the development of the local economy by developing as a visitor attraction and as a hub for the local artistic community. There are a number of development strategies including:

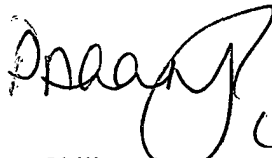
- continuing to develop the use and cost-effectiveness of the galleries and the performance space
- developing an expanded education programme
- improving the café environment and the contribution it makes to supporting Horsebridge activities
- increasing retail sales opportunities linked to gallery exhibitions and local artists practice
- promoting the Horsebridge as a venue for business meetings and social events
- expanding the current membership scheme, and
- pursuing grant income and other funding opportunities as they arise.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Registered office:
11 Horsebridge Road
Whitstable
Kent
CT5 1AF

Signed by order of the trustees


Ms Philippa Langton
Charity Secretary
CPHILIPPA ANNE
LANGTON

18/09/2014

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF
HORSEBRIDGE ARTS & COMMUNITY CENTRE *(continued)***

YEAR ENDED 31 MARCH 2014

I report on the accounts of the charity for the year ended 31 March 2014 which are set out on pages 13 to 22.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The trustees (who are also the directors of Horsebridge Arts & Community Centre for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Ian C Bubb FCCA
The Bubb Sherwin Partnership Ltd
Independent examiner

100 High Street
Whitstable
Kent CT5 1AT

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**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE
INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 31 MARCH 2014

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	7,934	–	7,934	2,290
Activities for generating funds	3	160,237	–	160,237	169,318
Incoming resources from charitable activities	4	24,006	19,456	43,462	40,056
TOTAL INCOMING RESOURCES		<u>192,177</u>	<u>19,456</u>	<u>211,633</u>	<u>211,664</u>
RESOURCES EXPENDED					
Costs of generating funds:					
Fundraising trading: cost of goods sold and other costs	5	(40,317)	(891)	(41,208)	(62,372)
Charitable activities	6/7	(123,718)	(8,031)	(131,749)	(136,773)
Governance costs	8	(28,273)	(355)	(28,628)	(26,360)
TOTAL RESOURCES EXPENDED		<u>(192,308)</u>	<u>(9,277)</u>	<u>(201,585)</u>	<u>(225,505)</u>
NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR/NET INCOME/(EXPENDITURE) FOR THE YEAR					
	9	(131)	10,179	10,048	(13,841)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>(61,494)</u>	<u>123</u>	<u>(61,371)</u>	<u>(47,530)</u>
TOTAL FUNDS CARRIED FORWARD		<u>(61,625)</u>	<u>10,302</u>	<u>(51,323)</u>	<u>(61,371)</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 15 to 22 form part of these accounts.

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET (continued)

31 MARCH 2014

FIXED ASSETS

Tangible assets	11	7,274	7,837
Investments	12	<u>1</u>	<u>1</u>
		7,275	7,838

CURRENT ASSETS

Debtors	13	22,885	30,097
Cash at bank and in hand		<u>12,441</u>	<u>4,768</u>
		35,326	34,865

CREDITORS: Amounts falling due within one year

14	<u>(49,340)</u>	<u>(59,490)</u>
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NET CURRENT LIABILITIES

(14,014)	(24,625)
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TOTAL ASSETS LESS CURRENT LIABILITIES

<u>(6,739)</u>	<u>(16,787)</u>
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CREDITORS: Amounts falling due after more than one year

15	<u>(44,584)</u>	<u>(44,584)</u>
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NET LIABILITIES

<u>(51,323)</u>	<u>(61,371)</u>
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FUNDS

Restricted income funds	16	10,302	123
Unrestricted income funds	17	<u>(61,625)</u>	<u>(61,494)</u>

TOTAL FUNDS

<u>(51,323)</u>	<u>(61,371)</u>
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For the year ended 31 March 2014 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

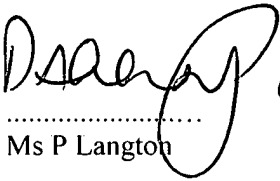
Trustees' responsibilities:

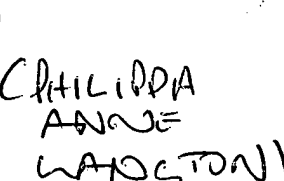
- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved by the members of the committee and authorised for issue on the 18/09/2014 and are signed on their behalf by:


.....
Mrs Z A Cloke


.....
Ms P Langton


.....
ANNE WADGTON

Company Registration Number: 04727071

The notes on pages 15 to 22 form part of these accounts.

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention, except for investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005).

Consolidation

In the opinion of the members of the committee, the charity and its subsidiary undertakings comprise a small group. The charity has therefore taken advantage of the exemption provided by Section 398 of the Charities Act 2011 not to prepare group accounts.

The directors do not consider the cost of preparing consolidated accounts justifiable and note 9 provides adequate details relating to the nature of the trading subsidiary.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for a particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to a category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Fixtures & Fittings	- 15% straight line
Pop up shop	- 20% straight line
Performance floor	- 20% straight line

The depreciation policy for fixtures and fittings prior to this year was to write these assets off at 15% on a reducing balance basis. With the purchase of assets in a restricted fund this policy is no longer appropriate so has been changed to a 15% straight line basis. This policy change has not been reflected by a prior year adjustment as the materiality of the difference in the figures is negligible.

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES *(continued)*

Pension costs

The Charitable Company operates a defined contribution pension scheme. Contributions payable to the Charitable Company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. All incoming resources are included on the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Going concern

The Trustees have taken account of the document "Going Concern and Liquidity Risk" Guidance for Directors of UK Companies 2009 issued by the Financial Reporting Council and believe the charitable company is a going concern. This assessment is based upon the funding available, cash in hand and income expected to be received from the services provided.

2. VOLUNTARY INCOME

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Other income			
Voluntary income	<u>7,934</u>	<u>7,934</u>	<u>2,290</u>

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Rental income	18,379	18,379	12,167
Venue hire	100,518	100,518	108,231
Box office income	31,292	31,292	34,725
Theatre trips income	639	639	7,686
Other fundraising events	1,570	1,570	1,711
Miscellaneous sales	7,839	7,839	4,798
	<u>160,237</u>	<u>160,237</u>	<u>169,318</u>

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2014

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds 2014	Total Funds 2013
	£	£	£	£
Sponsorship and advertising board	8,553	–	8,553	4,969
Sundry income	453	–	453	1,587
Canterbury City Council	15,000	–	15,000	15,000
Kent County Council	–	–	–	8,500
Heritage Lottery Fund	–	–	–	10,000
Whitstable Area Member Panel				
Opportunities Fund	–	3,500	3,500	–
Canterbury Arts Council	–	250	250	–
Big Lottery Fund Grant	–	7,206	7,206	–
Canterbury City Council Capital Project Fund	–	8,500	8,500	–
	<u>24,006</u>	<u>19,456</u>	<u>43,462</u>	<u>40,056</u>

5. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	Unrestricted Funds	Restricted Funds	Total Funds 2014	Total Funds 2013
	£	£	£	£
Advertising and publicity	9,422	–	9,422	8,472
Entertainment and performances	25,677	–	25,677	40,957
Gallery and exhibition costs	5,218	891	6,109	12,943
	<u>40,317</u>	<u>891</u>	<u>41,208</u>	<u>62,372</u>

6. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds	Restricted Funds	Total Funds 2014	Total Funds 2013
	£	£	£	£
Charitable activities	120,478	7,631	128,109	129,517
Support costs	3,240	400	3,640	7,256
	<u>123,718</u>	<u>8,031</u>	<u>131,749</u>	<u>136,773</u>

7. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Charitable activities	Support costs	Total Funds 2014	Total Funds 2013
	£	£	£	£
Charitable activities	<u>128,109</u>	<u>3,640</u>	<u>131,749</u>	<u>136,773</u>

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2014

8. GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Salaries and wages	14,245	–	14,245	15,283
Employer's NIC	897	–	897	1,204
Accountancy fees	3,071	–	3,071	2,550
Depreciation	2,578	355	2,933	2,273
Other pension costs	1,185	–	1,185	928
Telephone	1,512	–	1,512	1,574
Bad debts	3,134	–	3,134	1,202
General expenses	467	–	467	1,346
Bank and credit card charges	1,184	–	1,184	–
	<u>28,273</u>	<u>355</u>	<u>28,628</u>	<u>26,360</u>

9. NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR

This is stated after charging:

	2014 £	2013 £
Staff pension contributions	2,278	1,784
Depreciation	<u>2,933</u>	<u>2,273</u>

10. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2014 £	2013 £
Wages and salaries	101,753	109,166
Social security costs	4,489	6,021
Other pension costs	2,278	1,784
	<u>108,520</u>	<u>116,971</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2014 No	2013 No
Number of staff involved in charitable purposes	<u>6</u>	<u>6</u>

No employee received remuneration of more than £60,000 during the year (2013 - Nil).

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2014

11. TANGIBLE FIXED ASSETS

	Pop up shop £	Fixtures & Performance Fittings £	floor £	Total £
COST				
At 1 April 2013	1,920	4,948	7,540	14,408
Additions	—	2,370	—	2,370
At 31 March 2014	<u>1,920</u>	<u>7,318</u>	<u>7,540</u>	<u>16,778</u>
DEPRECIATION				
At 1 April 2013	768	2,787	3,016	6,571
Charge for the year	384	1,041	1,508	2,933
At 31 March 2014	<u>1,152</u>	<u>3,828</u>	<u>4,524</u>	<u>9,504</u>
NET BOOK VALUE				
At 31 March 2014	<u>768</u>	<u>3,490</u>	<u>3,016</u>	<u>7,274</u>
At 31 March 2013	<u>1,152</u>	<u>2,161</u>	<u>4,524</u>	<u>7,837</u>

12. INVESTMENTS

Movement in market value

	2014 £	2013 £
Market value at 1 April 2013	1	1
Market value at 31 March 2014	<u>1</u>	<u>1</u>
Historical cost at 31 March 2014	<u>1</u>	<u>1</u>

Analysis of investments at 31 March 2014 between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Other investments				
UK Group undertakings	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>

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

	Capital and reserves £	Profit(loss) for the year £
Horsebridge Cafe Limited	<u>(9,572)</u>	<u>(1,246)</u>

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2014

13. DEBTORS

	2014	2013
	£	£
Trade debtors	18,457	25,800
Amounts owed by group undertakings	2,535	2,527
Prepayments	1,893	1,770
	<u>22,885</u>	<u>30,097</u>

14. CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	9,040	11,828
PAYE and social security	1,052	961
Other creditors - Pension	—	37
Accruals	39,248	46,664
	<u>49,340</u>	<u>59,490</u>

15. CREDITORS: Amounts falling due after more than one year

	2014	2013
	£	£
CCC loan to set up cafe	7,084	7,084
Other creditors	37,500	37,500
	<u>44,584</u>	<u>44,584</u>

The loan from Canterbury City Council is repayable in annual instalments of £5,000.

16. RESTRICTED INCOME FUNDS

	Balance at 1 Apr 2013	Incoming resources	Outgoing resources	Balance at 31 Mar 2014
	£	£	£	£
Heritage Lottery Fund	123	—	—	123
Big Lottery Fund Grant	—	7,206	(1,777)	5,429
Canterbury City Council	—	8,500	(4,000)	4,500
Capital Project Fund	—	250	—	250
Canterbury Arts Council	—	—	—	—
Whitstable Area Member	—	3,500	(3,500)	—
Panel Opportunities Fund	—	—	—	—
	<u>123</u>	<u>19,456</u>	<u>(9,277)</u>	<u>10,302</u>

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2014

16. RESTRICTED INCOME FUNDS *(continued)*

Heritage Lottery Fund

The grant received was to be spent on the Time Travel Tourist Information Centre project and exhibition.

Big Lottery Fund Grant

The grant received was to be spent on a Future Skills project, training staff and volunteers in essential skills to run the centre and developing a training hub.

Canterbury City Council Capital Project Fund

The grant received was to develop a retail and shared workspace area within the centre.

Canterbury Arts Council

The grant was to purchase some new mats to enable better community provision of dance classes for all.

Whitstable Area Member Panel Opportunities Fund

The Grant was to be spent on the Epic Adventure project and exhibition for young people.

17. UNRESTRICTED INCOME FUNDS

	Balance at 1 Apr 2013 £	Incoming resources £	Outgoing resources £	Balance at 31 Mar 2014 £
General Funds	<u>(61,494)</u>	<u>192,177</u>	<u>(192,308)</u>	<u>(61,625)</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investments £	Net current assets/ (liabilities) £
Restricted Income Funds:			
Heritage Lottery Fund	–	–	123
Big Lottery Fund Grant	2,015	–	3,414
Canterbury City Council Capital Project Fund	–	–	4,500
Canterbury Arts Council	–	–	250
	<u>2,015</u>	<u>–</u>	<u>8,287</u>
Unrestricted Income Funds	<u>5,259</u>	<u>1</u>	<u>(22,301)</u>
Total Funds	<u><u>7,274</u></u>	<u><u>1</u></u>	<u><u>(14,014)</u></u>

**HORSEBRIDGE ARTS & COMMUNITY CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2014

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS *(continued)*

	Long term liabilities £	Total £
Restricted Income Funds:		
Heritage Lottery Fund	—	123
Big Lottery Fund Grant	—	5,429
Canterbury City Council Capital Project Fund	—	4,500
Canterbury Arts Council	—	250
	<u>—</u>	<u>10,302</u>
Unrestricted Income Funds	(44,584)	(61,525)
Total Funds	<u>(44,584)</u>	<u>(51,323)</u>

19. RELATED PARTY TRANSACTIONS

At the balance sheet date, the charitable company was owed £2,535 (2013: £2,527) by Horsebridge Café Limited, its 100% subsidiary undertaking. The balance has arisen because of café takings and purchases passing through the charitable company's bank account.

20. COMPANY LIMITED BY GUARANTEE

Every member promises if the Charity is dissolved while he she or it remains a member or within 12 months afterwards to pay up to £1 towards the costs of dissolution and the liabilities incurred by the Charity while the contributor was a member.