

ADEC

Arts Development East Cambridgeshire

(A Company Limited by Guarantee)

Financial Statements

for the year ended 31 March 2010

Company registration 2999055

Registered Charity number 1043197





Registered Office The Babylon Gallery
 Babylon Bridge
 Waterside
 Ely
 Cambs CB7 4AU

Registered Charity Number 1043197

Company Number 2999055

Chairman Mr A O'Hanlon

Company Secretary Ms J Wilson

Independent Examiner Mr T J Smith
 Richmond House
 Broad Street
 Ely
 Cambridgeshire
 CB7 4AH

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Reference and Administrative Information

Charity Name	Arts Development in East Cambridgeshire (ADeC)
Charity registration number	1043197
Company registration number	2999055
Registered Office and Operational address	Babylon Gallery Waterside Ely Cambridgeshire CB7 4AU

Members of the Board of Trustees

Mrs V Churchman	Joint Treasurer
Mr T Coney	
Mr T Collier	
Mr A Haines	
Mr A O Hanlon	Chair
Mr S Park	
Ms T McGinn	resigned October 2009
Mr R Moore	resigned March 2010
Mr J Wainwright	
Mrs J Weaver	Joint Treasurer

Secretary

Ms J Wilson

Chief Executive

Ms J Wilson

Independent Examiner

Mr T J Smith
Richmond House, Broad Street, Ely, Cambridgeshire, CB7 4AH

Bankers

HSBC
5 Buttermarket, Ely, Cambridgeshire, CB7 4PA



Report of the board of trustees for the year ended 31 March 2010

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 7 December 1994 and registered as a charity on 10 January 1995

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

Recruitment and Appointment of the Board of Trustees

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association members of the board of trustees are elected to serve for a period of three years after which they can offer themselves for re-election at the next Annual General Meeting.

The board of trustees aims to maintain a broad mix of business, artistic and community based skills, and to this end, an audit of trustee skills is carried out on a regular basis. When particular skills are lost, individuals with the relevant skills are approached to offer themselves for election to the board of trustees.

Trustee Induction and Training

Potential trustees are provided with an information pack, including information about the structure and activities of the charity, and the role of the trustee in the operation of the charity, and are invited to visit ADeC and meet the staff team. All trustees are regularly invited to attend events and activities run by the charity.

Risk Management

The Board of directors has conducted a review of the major risks to which the charity is exposed. A risk register has been established which is reviewed annually. Where appropriate, systems have been established to mitigate the risks faced by the charity. External risks to funding have led to the development of a strategic plan, which allows for the diversification of funding and activities. Internal risks are minimized by the implementation of procedures for authorization of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Organisational Structure

ADeC has a board of trustees of up to 15 members who meet six times a year and are responsible for the strategic direction and policy of the charity. At present the committee has eight members from a variety of backgrounds relevant to the work of the charity. The secretary also sits on the board but has no voting rights.

The board is accountable for the general management of ADeC, and responsible for the direction of its affairs, it determines all policy matters including ADeC's strategy, Business Plan and Budget, and the Board determines the delegated powers to its chair and any sub-committees. Sub-committees report to the board, and a sub-committee may authorize its chair to take appropriate executive action.

Day to day responsibility for the provision of services is delegated to the Chief Executive, who is responsible for ensuring that the charity delivers the services specified in the annual delivery plan and that key performance indicators are met.



Related Parties

In so far as it is complementary to the charity's objects, the charity is guided by both local and national policy. These policies fall into two main categories: arts and cultural policy, and broader non-arts policies, where the arts are able to play a positive role in meeting policy needs. The chief executive of the charity sits on the Cambridgeshire and Peterborough Arts Development Officers Group (CAPADOG), which facilitates partnership working across Cambridgeshire and Peterborough.

Objects

The company's objects are

To promote, maintain and encourage the arts, including without limitation, the arts of drama, dance, visual art, literature and film, for the advancement of education and to encourage public understanding of the arts, in the Eastern region of England.

In order to meet the objects the Board of Trustees have developed strategies to deliver a flexible and responsive programme of arts events, projects and support activities. The artistic programme includes the direct provision of events and projects across a wide range of art forms, and development support for other organisations and individuals providing arts activities.

Activities

Live performance – Music, Drama and Dance

ADeC programmes and promotes a range of live events, focused on providing local access to high quality arts, using third party venues. Following the temporary closure of the main Ely venue, the Maltings in 2008-9, the live programme at the Maltings successfully re-started from April 2009.

[act] rural touring service

This is the rural touring scheme for Cambridgeshire, which supports local voluntary promoters to bring professional performances to their communities, by providing a menu of touring artists at a subsidised rate, backed up with event management and marketing support. The touring scheme continued to operate throughout the year, funded by Cambridgeshire County Council, East Cambridgeshire District Council (through their partnership agreement with ADeC), Fenland District Council, Huntingdonshire District Council and South Cambridgeshire District Council.

Film (including Ely Cinema)

ADeC operates Ely Cinema in the Maltings, Ely. This provision meets the local need for cinema, particularly for people who would find the journey to full-time cinemas in Cambridge or elsewhere difficult. Ely Cinema is supported by volunteers, who provide in region of 100 hours a month to help promote and steward the cinema programme. Ely Cinema went back into the Maltings in April 2009 and rapidly regained audience numbers.

Visual arts (including Babylon Gallery)

The re-opened Babylon Gallery ran a full programme in 2009-10, including established artists, new artists and exhibitions resulting from project activity. The gallery provides local access to visual arts, and is supported by a team of volunteers who staff the gallery during opening hours, and carry out gallery administration.

Projects

ADeC project activity focuses on specific areas of identified need. Project work often links with appropriate non-arts needs where arts based activities tackle issues such as rural isolation, providing support for



vulnerable young people, developing communities. Projects are usually developed in partnership with other organisations, both arts and non-arts, professional and voluntary, with complementary skills and experience, to ensure that we are able to deliver activity in the most appropriate and effective way.

This was the final year of Transformers, the Big Lottery Funded project working with young people to develop their creativity through a programme of arts workshops and events, with the young people helping to plan and develop the programme. During the year, the ADeC Arts Crew was established, a voluntary group of young people who devise, fundraise for and run events, in particular but not exclusively for young people. Arts Crew provided a route for young people involved in the Transformers project to stay in touch with ADeC, and has enabled them to take forward the outcomes of the project.

Development Support

ADeC provides a range of services for groups and individuals promoting arts activities. During 2009-10 services financially supported by East Cambridgeshire District Council and East Cambridgeshire Local Strategic Partnership included publication of the Guide, and the ADeC website, with free listings for all arts and leisure activities in East Cambridgeshire, free advice and support in activity planning, fund-raising and marketing, and a small grants and guarantees scheme offering financial support.

Accommodation: Babylon building

As reported last year, the previous arrangements for the ADeC occupation of Babylon Bridge were coming to an end, and the trustees were exploring options for future accommodation. Staff and trustees considered the risks and benefits associated with a range of options and decided to pursue negotiations to take on the lease of the whole Babylon building. These were successfully concluded, and a five year lease for the building started from March 2010. As the whole space was not required for ADeC activity, the remainder of the building was licensed to two other organisations, Isle Interactive and Mole Architects. These businesses are both within the creative industries sector and as such have a good fit with ADeC. A number of one-off costs were incurred as a result of taking on the lease, including survey and legal costs, and additional staff-time to administer the process.



Financial Review

A long term approach to planning, combined with prudent financial management, has enabled ADeC to manage a significant reduction in funding from its larger single funder, and continue to operate successfully against a national backdrop of uncertainty for organisations contracted to provide non-statutory services for local authorities. The process of diversification of activities to reduce the reliance on individual funding bodies will continue.

Principal Funding Sources

The single largest funder in 2009-10 was East Cambridgeshire District Council (£104,386). Overall earned income increased as the Ely Cinema came back into full operation, rising to 93,373 (from £74,306 in 2008-9). Additional grants and contract income was also achieved through awards from both Awards for All and East Cambridgeshire Local Strategic Partnership, and a contract to deliver arts and cultural activities for 13 to 19 year olds in Huntingdonshire, with the income from grants and contracts other than East Cambridgeshire District Council amounting to £120,846 (£71,543 in 2008-9).

Investment Policy

The charity does not hold funds for long term investment. Funds are received and spent in the short term, aside from a prudent amount in reserves. Restricted funds received in advance are held in a high interest bank account and funds to be paid out in grants or guarantees are held in a separate building society account. Temporary cash surpluses are placed on short term higher interest deposit.

Reserves Policy

The Board of trustees has examined the charity's requirements for reserves in light of the main risks to the charity. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be approximately 3 to 6 months operating costs. Budgeted expenditure for 2010-11 is £300,000 and therefore the target amount is between £75,000 and £150,000. £75,000 being the level of funds required to cover short term cash flow deficits caused when funders pay grants in arrears of expenditure and also to ensure that the charity has sufficient reserves to cover the statutory costs of enforced closure in the event of a major withdrawal of funding.

Current unrestricted funds not committed or invested in tangible fixed assets stand at £39,598 which is significantly below this figure. Although the strategy is to continue to build reserves through operating surpluses, in the short term, the board of trustees has also considered the extent to which existing activities and expenditure could be curtailed, should such circumstances arise.

Plans for Future Periods

During 2009, the board of trustees reviewed the operational priorities of the charity and agreed a new three year framework for delivery, running from 2009 to 2012. The framework identified four key themes within the overall objectives of the charity, which continue to underpin delivery:

- Engaged Communities
- Positive Activities for young people
- Cultural Economy
- Cultural Olympiad

Major activities, including the live events programme, [act], Ely Cinema, Babylon Gallery, development support, and project activity will continue under this framework.

The strategy of actively seeking additional contracts to fulfil the objects of the charity, and enable ADeC to maintain its long term strategy of sustainable growth, will continue.



Responsibilities of the Board of Trustees

Company law requires the management committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the board of directors should follow best practice and

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis

The board of trustees is responsible for maintaining proper accounting records which 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. The Board is 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.

Members of the Board of Trustees

Members of the board, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 3.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on 20.10.10 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'Andrew O'Hanlon'.

Mr A O'Hanlon (Chairman)



Independent Examiner's Report to the Trustees of ADeC (Arts Development in East Cambridgeshire)

I report on the accounts of the company for the year ended 31 March 2010, which are set out on pages 9 to 18

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company 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 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Institute of Chartered Accountants in England & Wales.

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

- examine the accounts under section 43 of the 1993 Act,
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 43(7)(b) of the Act, as amended), and
- state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with 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
 - a) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - b) 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

Mr T J Smith FCA
for and on behalf of Price Bailey LLP
Richmond House
Broad Street
Ely
Cambs CB7 4AH

Date 22/10/10



Statement of Financial Activities

Year ended 31 March 2010

Incoming Resources	notes	Unrestricted	Designated	Restricted	Total 2010	Total 2009
		£	£	£	£	£
Incoming resources from generated funds						
Voluntary Income						
Donations and Gifts		4,172	-	-	4,172	4,088
Investment income		50	-	-	50	2,052
Incoming resources from charitable activities						
Grants and contracts for arts development	5	191,413	-	34,675	226,088	175,785
Earned income	6	103,635	-	751	104,386	74,306
Net gain on disposal of fixed assets		-	-	-	-	-
Total incoming resources		299,270	-	35,426	334,696	256,231
Resources Expended						
Cost of generating funds						
Grants payable in furtherance of the charity's objects		7,919			7,919	5,352
Charitable activities						
[act]		31,183			31,183	61,950
Babylon Gallery		6,019			6,019	18,651
Development support		59,112			59,112	59,084
Ely Cinema		56,197			56,197	7,698
Equipment bank		4,313			4,313	4,056
Events		43,869			43,869	53,567
Projects		76,180		54,447	130,627	80,281
Governance Costs		10,268			10,268	10,171
		287,141		54,447	341,588	295,458
Depreciation		1,812			1,812	1,132
Total resources expended	7	296,872	-	54,447	351,319	301,942
Net incoming resources / (resources expended)	3	2,398	-	- 19,021	- 16,623	- 45,711
Transfers between funds		-	-	-	-	-
Balances brought forward at 1 April 2009		37,200	18,000	19,035	74,235	119,946
Balances carried forward at 31 March 2010		39,598	18,000	14	57,612	74,235



Company registration 2999055

Balance Sheet 31 March 2010

	notes	2010 £	2009 £
Fixed Assets			
Tangible assets	10	3,095	1,849
Current Assets			
Debtors	11	19,822	21,527
Cash at bank and in hand		95,291	108,468
		<u>115,113</u>	<u>129,995</u>
Creditors amounts falling due within one year	12	60,596	57,609
Total current assets		<u>54,517</u>	<u>72,386</u>
Total assets less current liabilities		57,612	74,235
		<u>57,612</u>	<u>74,235</u>
Funds			
Unrestricted Funds		39,598	37,200
Designated Funds	8	18,000	18,000
Restricted Funds	9	14	19,035
		<u>57,612</u>	<u>74,235</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2008)

The financial statements on pages 9-18 were approved by the trustees on 20 10 10 and signed on their behalf by.

A O'Hanlon – Chairman

The notes on pages 11 to 18 form part of these financial statements



Notes to the Financial Statements

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards, financial reporting standards and the Statement of Recommended Practice (SORP) *Accounting and Reporting by Charities* (March 2005)

Incoming Resources

All Incoming resources are recognized in the Statement of Financial Activities (SOFA) on an accruals basis

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its estimated useful life as follows

Fixtures and Fittings	additions pre 01/04/03	15% per annum on the reducing balance
	additions post 01/04/03	Straight line over 3 years
Equipment for hire		15% per annum on the reducing balance

Leasing

Rentals paid under operating lease agreements are charged to income as incurred

Resources expended

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

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. staff time or usage as set out in note 7



Notes to the Financial Statements (continued)

Grants receivable

Government grants and subsidies of a revenue nature are credited to income when received

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the SOFA in the year they are payable

Fund accounting

Funds held by the charity are either

- Unrestricted general funds – these are funds that can be used in accordance with the charitable objects at the discretion of the council of management
- Designated funds – these are funds set aside by the council of management out of the unrestricted general funds for specific future purposes or projects
- Restricted funds – these are funds that 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 particular restricted purposes

Incoming Resources

Incoming Resources represents income derived by direct grants and contracts, box office, subscriptions, and miscellaneous sales and is stated net of value added tax

3 Net Expended Resources

	2010	2009
	£	£
This is stated after charging		
Examiners/auditors remuneration	1,200	1,200
Expenses paid to trustees	-	-
Depreciation - per note 10	1,812	1,132
Operating lease payments	-	510
	<u>3,012</u>	<u>2,842</u>
4 Staff Costs		
Wages and salaries	139,244	117,435
Social security costs	8,832	7,298
Pension costs	20,851	16,252
	<u>168,927</u>	<u>140,985</u>

No employee received emoluments of more than £60,000

The average weekly number of employees during the year was 5 (rounded) full time (2009, 4) and 2 part time (2009, 5)



Notes to the Financial Statements (continued)

5. Grants and Contracts

	2010			2009 total
	Unrestricted £	Restricted £	total £	
East Cambridgeshire District Council	105,242	-	105,242	104,242
Cambridgeshire County Council for [act]	13,410	-	13,410	13,335
South Cambridgeshire District Council for [act]	2,380	-	2,380	3,500
Huntingdonshire DC for [act]	3,750	-	3,750	3,750
Fenland DC for [act]	2,681	-	2,681	2,500
Leader + for [act]	-	-	-	9,045
Suffolk County Council Culture First secondment	6,028	-	6,028	-
Cambridgeshire County Council for youth services	25,871	-	25,871	-
East Cambridgeshire DC balance of lighting project	3,816	-	3,816	-
Big Lottery Fund	-	24,675	24,675	32,688
LPSA reward grant	24,425	-	24,425	-
NRTF Consortium grant	-	-	-	1,500
Cambridgeshire Community Foundation	-	-	-	1,700
Orchestras Live	-	-	-	3,525
Community Safety Partnership	1,800	-	1,800	-
Neighbourhood accelerated funding - young people	2,010	-	2,010	-
Awards for All	-	10,000	10,000	-
Total	191,413	34,675	226,088	175,785

6. Earned Income

	2010			2009 total
	Unrestricted £	Restricted £	total £	
[act]	6,453	-	6,453	24,902
Babylon Gallery	5,138	-	5,138	2,946
Development Support	13,948	-	13,948	12,243
Ely Cinema	47,835	-	47,835	6,075
Equipment Bank	3,937	-	3,937	3,922
Events	26,324	751	27,075	23,366
Members	-	-	-	852
Total	103,635	751	104,386	74,306



Notes to the Financial Statements (continued)

7. Total Resources Expended

	basis	grants	[act]	Babylon Gallery	Development	Ely Cinema	E Bank	Events	projects	Governance	Total
Costs directly allocated to activities											
Artistic costs	direct	7,919	9,739	907	3,037	21,649	4,313	17,574	53,571		118,709
Staff costs	staff time		15,745	2,755	38,462	27,014		20,025	63,975	9,039	177,015
Training and development	direct		443	81	30						554
Travel	direct		181	465	1,533	94		253	1,677		4,202
Marketing	direct		2,219	1,368	11,052	4,238		2,324	744		21,946
Support Costs allocated to activities											
Recruitment and development	Staff time		197	31	345	221		255	736	85	1,870
Office costs	Staff time		687	107	1,201	769		888	2,563	296	6,511
Premises costs	Staff time		1,761	273	3,083	1,974		2,278	6,575	759	16,703
Legal and Professional	Staff time		211	33	369	238		272	786	89	1,997
Sub total		7,919	31,183	6,019	59,112	56,197	4,313	43,869	130,627	10,268	349,507
Depreciation (office equipment)										1,812	1,812
Sub total										1,812	1,812
Total Resources expended		7,919	31,183	6,019	59,112	56,197	4,313	43,869	130,627	12,080	351,319

8. Designated funds

	At 1/4/2009	Income	Expenditure	Transfers	Closing Balance
	£	£	£	£	£
Development Fund	18,000	-	-	-	18,000
	<u>18,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,000</u>

9. Restricted funds

	At 1/4/2009	Income	Expenditure	Transfers	Closing balance
	£	£	£	£	£
Diversity Project	3,788	-	3,788	-	-
Ely Partnership	1,326	-	-	-	1,326
Rural Arts and Babylon Gallery	-	2,475	-	-	2,475
Writing on the Waterways	1,163	-	-	-	1,163
Virtual Venue	7,140	-	7,140	-	-
Young promoters	-	10,000	10,000	-	-
Transformers - Youth Arts	8,093	25,426	33,519	-	0
	<u>19,036</u>	<u>35,426</u>	<u>54,447</u>	<u>-</u>	<u>14</u>



Notes to the Financial Statements (continued)

Purposes of restricted funds

Diversity Project

This project to support local voluntary promoters to promote South Asian music in East Cambridgeshire was completed in the year

Ely Partnership

This fund supports partnership work between ADeC, Ely Cathedral and Britten Sinfonia. There was no activity connected to the fund in 2008-9

Rural Arts and Babylon Gallery Project

This project is funded by the Arts Council England East for arts development connected to Babylon Gallery and for work with rural communities

Virtual Venue

The Virtual Venue project was completed in 2009-10

Writing on the Waterways

This fund supported a writing project in Littleport. There was no activity connected to the fund in the year

Young Promoters

This project, funded by Awards for All, worked with groups of young people across Cambridgeshire to develop their skills and experience as event promoters

Transformers - Youth Arts

2009-10 was the final year of the Transformers project



Notes to the Financial Statements (continued)

10. Tangible Fixed Assets

	Equipment and Furniture £	Equipment for Hire £	Total £
Cost			
At 1 April 2009	3,396	1,080	4,476
Expenditure	3,058	-	3,058
Disposal			-
At 31 March 2010	6,454	1,080	7,534
Depreciation			
At 1 April 2009	1,547	1,080	2,627
Eliminated on disposal			-
Charge for the year	1,812		1,812
At 31 March 2010	3,359	1,080	4,439
Net book values			
At 31 March 2010	<u>3,095</u>	<u>-</u>	<u>3,095</u>
At 31 March 2009	<u>1,849</u>	<u>-</u>	<u>1,849</u>

11. Debtors

	2010 £	2009 £
Trade debtors	10,115	12,169
Other debtors	804	3,982
Grants receivable	-	1,262
Prepayments	8,903	4,114
	<u>19,822</u>	<u>21,527</u>

12. Creditors: amounts falling due in one year

	2010 £	2009 £
Value Added Tax	8,349	607
Other Creditors	32,843	33,943
Taxes and Social Security	-	3,142
Pension Fund	-	1,910
Accruals	6,404	5,007
Balance of grants at 31 March not taken up	13,000	13,000
	<u>60,596</u>	<u>57,609</u>



Notes to the Financial Statements (continued)

13. Provision for liabilities and charges

There are no liabilities and charges for which provision needs to be made

14. Restricted, Designated and Endowment Funds

There are no Endowment funds. Information regarding Designated Funds is in note 8 and Restricted Funds is in note 9

15. Constitution

The Company is limited by guarantee and does not have any share capital. At 31 March 2010 there were 91 members (2009: 49 individual members and 14 group members)

Members' liability is limited at £1 each, in the event of the Company being wound up while they are members, or within one year after they cease to be a member, for payment of debts and liabilities contracted before they ceased to be a member

16. Pension Costs

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £29,851 (2009: £16,252). There were no contributions payable to the fund at the yearend (2009: £nil)

17. Financial Commitments

At 31 March 2010 the charity was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2011

	Land and Buildings	
	2010	2009
	£	£
Operating leases which expire Between two and five years	<u>28,500</u>	<u>4,092</u>

18. Analysis of Net Assets Between Funds

	Restricted funds	Designated funds	General funds	Total
Fund balances at 31 March 2010 are represented by				
tangible fixed assets			3,095	3,095
cash	14	18,000	77,277	95,291
current liabilities			40,774	40,774
Total net assets	14	18,000	39,598	57,612



19. Trustee remuneration and related party transactions

No members of the management committee received any remuneration during the year. During the year expenses amounting to £NIL (2009 - £NIL) were reimbursed to members of the management committee.

Ms T McGinn was paid £1256.44 in respect of her professional services as an Arts Practitioner during the year, of which £300 was for services after her resignation as a trustee. Mr T Coney was paid £30 in respect of an artwork sold through the Babylon Gallery. Payments have been ratified by the Board and are permitted under charity legislation. No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2009 - £NIL).