

Charity Registration No. 701194

Company Registration No. 02332073 (England and Wales)

THE MALTINGS (BERWICK) TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

**THE
MALTINGS
BERWICK**



THE MALTINGS (BERWICK) TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Jonathan Lang Janette Casson MBE Scott Sherrard Graham Brown Euan Duthie (Chair) Susan Smith	(Appointed 28 September 2018)
Chief executive / artistic director	Matthew Rooke	
Also known as	The Maltings	
Secretary	Rosanne Lamont	
Charity number	701194	
Company number	02332073	
Registered office	The Maltings Theatre & Cinema Eastern Lane Berwick upon Tweed TD15 1AJ	
Independent examiner	RMT Accountants & Business Advisors Ltd Gosforth Park Avenue Newcastle upon Tyne NE12 8EG	
Bankers	CAF Bank Limited 25 Kings Hill Avenue West Malling Kent ME19 4JQ	
Solicitors	Adam Douglas & Son 49/51 Bridge Street Berwick upon Tweed TD15 1ES	

THE MALTINGS (BERWICK) TRUST

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THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

The trustees present their report and financial statements for the year ended 31 March 2019.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's memorandum and articles of association and the Trust Deed dated 2nd May 1989, the Companies Act 2006 and "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 Republic of Ireland (FRS 102) (effective 1 January 2015)"

Objectives and activities

The charity's objects are to "promote, maintain, improve and advance education particularly by the encouragement and provision of all forms of the Arts. Principally for, but not restricted to, everyone in the North East of England and the Scottish Borders".

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Jonathan Lang	
Dr Amanda Benson	(Resigned 18 February 2019)
Janette Casson MBE	
Scott Sherrard	
Graham Brown	
Euan Duthie (Chair)	
Susan Smith	(Appointed 28 September 2018)

The maximum number of trustees is unlimited.

Staff team as at 31 March 2019

<i>Chief Executive & Artistic Director:</i>	Matthew Rooke
<i>Head of External Affairs:</i>	Ros Lamont
<i>Programming and Projects Associate:</i>	Daniel Cox
<i>Head of Visual Arts:</i>	James Lowther
<i>Learning & Participation Co-ordinator:</i>	Val Tobiass
<i>Marketing Manager:</i>	Ruth Bolam
<i>Technical Manager:</i>	James Manningham
<i>Theatre Manager:</i>	Shona Hammon
<i>General Administration Manager / Bar Manager:</i>	David Purves
<i>Duty Manager:</i>	Neil Davidson
<i>Head of Youth Drama/Deputy Theatre Manager:</i>	Wendy Payn
<i>Cleaner:</i>	Januario Espejo
<i>Box office:</i>	Ross Graham, Cloudy Manningham
<i>Invigilators/Bar/General Support:</i>	Helen Barlow, David Simpson, Chloe Smith, Charlotte Payn, Graeme Patterson, Caitlin Mutch, Januario Espejo
<i>Casual Technicians:</i>	Alex Ross, Mark Ingles, Kirk Sim, Ian Ballantyne

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

1. Chairman's statement

1.1 The last year

The Maltings has continued to present a well-received breadth of programmes and increased its box office income by approximately 10% compared to the previous year.

2018-19 saw an increase in the number of productions originated by The Maltings as follows:

- The adventures of Mr Todd (15-16 June 2018)
- Here Comes the Girls Monster Mash Up (2-3 November 2018)
- Berwick Festival Opera HMS Pinafore (24-25 August 2018)
- History Jazz Piano/American Dreams (12-13 October 2017)
- Berwick Festival Opera: Cox & Box and & Sullivan (17-18 November 2017)
- Sinbad – Panto (15-31 December 2017)
- Christmas Jazz Revue (15 December 2017)
- Berwick Festival Opera: Christmas Recital (19 December 2018)
- Berwick Festival Opera: Metal Baroque (16-17 February 2019)
- Gregory's Girl (1-2 March 2019)

Berwick Visual Arts continues to grow its reputation for managing both The Gymnasium and Granary galleries under the effective management of James Lowther as Head of Visual Arts. We mounted one of our most ambitious exhibitions to date as part of Artist Rooms, showing works by Turner Prize winner Douglas Gordon between June and September 2018. We also hosted the world premiere of Shobhana Jeyasingh Dance's Contagion as part of the 14-18 NOW arts programme marking the centenary of World War One.

Inflation continued to outstrip grants during the year and the actual level of inflation outstripped the official planning figures of 2%, meaning that in real terms our income fell pro-rata.

1.2 The future

It remains the case that on-going austerity measures are likely to decrease the availability of public funding and other grants, and increase competitiveness around securing them, so for the future we must further increase and diversify our sources of income. Although our working relationship with Northumberland County Council is strong, the annual renewal of their funding is under increasing pressure from diminishing local authority budgets. The Trust's Arts Council Catalyst funding award has supported a preliminary review of our fundraising strategy involving both Trustees and staff at all levels of the organisation with a view to achieving higher levels of self-generated income to help meet these challenges going forward.

Whilst the issues of erosion of value via inflation and an increasingly uncertain public sector and business climate are important, the biggest concern in relation to our ongoing ability to operate remains the condition of the building, which continues to be a focus for discussion with its owners, NCC. It is expected that extensive works relating to the electrical, heating, and air-handling systems will be required along with maintenance of the exterior and windows within the next two years.

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

1.3 Acknowledgements

We are grateful for the continued support of our main funders – the Northumberland County Council and Arts Council England.

I also want to thank my fellow board members for their commitment and diligence throughout the year, and in particular note the resignation of Dr Amanda Benson. Their experience and wisdom is a vital contribution to our management and governance.

Thanks are also due to all the staff for their continued commitment and loyalty. Another vital ingredient in our viability is the generous and enthusiastic contribution made by volunteers in several roles. I again want to acknowledge the contribution made by community theatre groups. Not only do they provide an opportunity for local people to participate in live performance, and the peripheral activities that surround that, but they also support us in a mutually beneficial partnership.

As always, my thanks go to our audiences who bought over 55,000 tickets last year, as well our 18,000 plus gallery visitors.



Euan Duthie
Chairman of the Board of Trustees

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

2. Structure, governance and management

2.1 Governing Instruments

The Trust is governed by a Trust Deed dated 2nd May 1989, and Memorandum and Articles of Association dated 12th October 2010.

2.2 Organisation of the charity

The Maltings (Berwick) Trust was established in 1989 as a company limited by guarantee and a registered charity. The company has no share capital.

Every member of the charity promises, if the charity is dissolved while he or she a member or within twelve months after he or she ceases to be a member, to contribute such sum (not exceeding £10) as may be demanded of him or her towards the payment of the debts and liabilities of the charity incurred before he or she ceases to be a member, and the costs charges and expenses of winding up, and the adjustment of the rights of the contributories among themselves.

2.3 Trustees / Directors

The maximum number of Trustees/Directors is unlimited. At each annual general meeting, one third of elected Trustees who have been longest in office are required to retire. A retiring elected Director shall be eligible for re-election for one additional term. Role descriptions for Trustees and the Chair outline their specific responsibilities. Trustees are offered induction training upon appointment. The Board of Trustees meets every two months, with an annual general meeting held in late autumn. Management issues involve all Trustees and they meet as required to consider matters concerned with the day-to-day business of the company.

All decisions relating to recruitment, management and staff structures, staff grievances, policies, risk management, significant grant applications, building alterations, significant financial issues, complaints and relations with the main funders are referred to the Trustees, as well as any other matters which the CEO considers the Trustees need to be aware of.

All artistic, programming and other day to day decisions are delegated to the CEO/Artistic Director who will consult the Trustees on what are considered important issues in this context.

The Trustees, as Directors of the company, serving during the year ended 31 March 2019 are noted above.

2.4 Trustees' Interests

The Trustees, as Directors of the company, have subscribed to guarantee the sum of up to £10.00 each to the debts of the Trust in the event of a winding up. The Trustees have no other financial interests in The Maltings and all of their time and services are provided on an entirely voluntary basis.

2.5 Trustee responsibilities

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 company as at the end of the year and of its surplus or deficit for the financial year. In preparing the financial statements, the Trustees are required to select suitable accounting policies and apply them consistently, make judgements and estimates that are reasonable and prudent, state whether applicable accounting standards have been followed, and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

2.5 Risk statement

The Board of Trustees takes the risks to which The Maltings is exposed very seriously. With additional emphasis on risk within SORP FRS 102, the Board has established a risk register, which is reviewed regularly.

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

As well as the situation regarding the lack of general reserves, three areas of risk have received special attention:

- A lack of cash reserves to meet any crisis with financial impact. Our long term financial plans aim to address this, with an increasing emphasis on fundraising and regular submissions to HMRC for both theatre and tax credits providing short term improvements in performance.
- Margins on trading figures remain small and are insufficient to cover forthcoming inflation costs and decreasing grant income. To reduce costs and comply with our ethical standards we bank with CAF bank's electronic banking service. On income, we are aiming at increased ticket sales for cinema and simulcast screenings. We are also planning to decrease the number of events by a small amount but increase average ticket sales per event.
- We are working closely with Northumberland County Council (NCC) to explore long term solutions to their significant and increasingly pressing liabilities concerning the general upkeep, planned routine maintenance and possible failures in plant and machinery in the theatre building. The Maltings has been ear-marked as a priority for support under the UK government's Borderlands Growth Initiative and a series of architectural and business feasibility studies are in hand to explore how best to take this forward.

Cash flow remains an ongoing concern and the Trustees monitor this closely. Our newly formed Finance & General Purposes Committee is actively addressing these issues with a view to improving liquidity as a matter of priority. The Committee is also focussed on generating cash reserves.

3. Achievements and performance

3.1 Cinema

Cinema remains a vital part of our offer and we continue to offer digital quality films in both our Main House and the Studio.

During the year, we have brought the management of programming for cinema in-house and integrated it into the Programme Associate's role and we continue to work closely with Berwick Film Society to maintain the frequency and range of film on offer during the year and our satellite broadcast capacity continues to ensure local public access to the work of major national companies such as National Theatre, Royal Opera House, Royal Ballet and Royal Shakespeare Company, as well as to live streams of popular music events.

3.2 Performing arts

During 2018/19 we maintained our focus on supporting work originated in our region. Our support for emerging talent in theatre was advanced through our continued participation in Bridging The Gap, whereby the Maltings is host to a young company which develops and then presents new work in our venue, and our support for Fertile Ground young graduates dance company. We also continued our relationship with the Royal Northern Sinfonia with an on-going programme of sell-out chamber music concerts.

The fourth year of our in-house fully professional Pantomime Cinderella achieved our highest ever sales and was widely praised by audiences.

2018/19 was the fifth year of Berwick Festival Opera (BFO), an exciting initiative dedicated to creating access to professional live opera performances in specially reconceived productions that are capable of playing in smaller-scale venues. We produced our own production of HMS Pinafore in the Main House, as well as two Studio recitals – a Christmas Opera Gala and Metal Baroque. We also continued our creative partnership with Byre Opera by hosting their production of Xerxes.

Our Youth Theatre programme continues to be a cornerstone of our work for children and young people. As well as our termly session for children aged 4 to 25, we hosted a summer holiday Play in a Week immersive drama course. Our Youth Theatre also presented a full scale production in the Main House, The Adventures of Mr Toad by our head of Youth Drama Wendy Payn as well as a very well-received production of Gregory's Girl in the Studio.

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

We also continue to provide a home for our two long established community drama companies, Berwick Operatic Society and Spittal Variety Group - exemplifying our twin objectives of not only bringing the best that the world has to offer to Berwick, but also celebrating the best that Berwick has to offer to an enthusiastic public. We were also delighted to host the Inspired! young people's performance platform for local musicians and bands once again.

All of this took place in the context of The Maltings ambitious programming approach which continued to offer a broad range of work, spanning contemporary, folk, jazz, and popular music, as well as theatre, comedy, dance and writers' events showcasing a range of work from a diverse range of cultural backgrounds reflecting modern Britain as a whole.

3.3 Berwick Visual Arts

During 2018/19 we commissioned and curated seven exhibitions across our two gallery spaces (The Granary Gallery and The Gymnasium) with a total visitor audience of 22,680.

Our programme of work was as follows:

Exhibition:	Opening Date
The Archive of Smith Berwick	April & May 2018
Gast	April & May 2018
The Ingram Collection	May-October 2018
Artists Rooms Douglas Gordon	June-September 2018
Lucy Clout	September 2018
Zoe Childerley	October 2018 – January 2019
Kirill Sokolov	February & March 2019

3.4 General activity

	2018/19	2017/18
Tickets sold	55,187	50,520
Value of tickets	£482,028	£448,204
Films / digital broadcasts	302	292
Live performances	236	177

During 2018/19 The Maltings continued to reduce the volume of events offered so as to invest in the quality on offer, avoid internal competition, and address the unsustainable burden on the organisation and its staff in terms of delivering so many events. The scale and range of our programme still significantly exceeds the number offer by similar venues in the region.

3.5 Plans for the future

Our programme aspirations for 2019/20 are the continued streamlining and development of our performing arts, BVA and cinema programmes.

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

We face the next year with these main issues, which are similar to those of last year:

- Main core funders annual grants reducing in real terms, combined with annually increasing liability for pensions and minimum wage.
- The on-going pressure to increase levels of funding from sources other than core funders and sales. We strive to gain income from sponsors, charitable trusts and patrons. There are clear indications that public funding is more likely to be awarded to the financially stronger applicants in future.
- Growing engagement with hard to reach audiences and first time attenders.

The assets we recognise include:

- Our National Portfolio Organisation status from the Arts Council
- Solid and loyal audience base across the art forms.
- A committed and hardworking management and staff team
- Good relationships with our primary funders
- National recognition for both our Berwick Festival Opera productions, and Berwick Visual Arts.

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

4. Engaging with the Community

The Maltings continues to provide essential support and regular opportunities for local societies and individuals to participate in the arts. Local groups who regularly used our resources and facilities in 2018/19 included:

*Berwick Art Group
Berwick Community Dance Project
Berwick Film & Media Arts Festival
Berwick Film Society
Berwick Literary Festival
Berwick Middle School
Berwick Operatic Society
Holy Trinity First School
The Jane Keenan School of Dance
Longridge Towers School
Maltings Junior Youth Theatre
Maltings Youth Theatre
Nancy Steele Dance
Northumberland Arts Development - Dance
Northumberland Arts Development - Visual Arts
Spittal Variety Group
Thursday Singers
Tideline Runners
Tweedmouth Middle School
Tweed Music Centre / Music Partnership North
Berwick Educational Association
We Are Such Stuff*

Many of these groups use the premises for regular rehearsals or meetings and others stage live performances here.

The Maltings also continues to provide a range of community services, ranging from free tickets for troops, and heavily subsidised ticket prices especially for young people. These activities do not generate any surplus for The Maltings, but we undertake them because we think it's important that we encourage people who lack disposable income or are at risk of social isolation to engage with the community through participation in the arts. We also regularly donate tickets for our events as prized for community raffles and fundraising auctions.

We achieved our aim of continuing to offer heavily discounted conference hire rates for community groups, as well as building our volunteer base in line with the increasing demands of our programme and operations.

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

5. Financial review

5.1 Restricted funding grants 2018/19

Restricted funds continue to support initiatives and projects which are ongoing.

5.2 Investment policy and performance

The Board's investment powers are set out in the Trustee Act 2000. The Maltings can invest until needed any part of its capital or income not required for the immediate running of the organisation. Interest rates remain at a very low level resulting in no earnings from interest for 2018/19. It is the Board's objective to provide the best possible return from investments, as well as conforming to the Trust's policy on ethical investments.

5.3 Reserves

The long term reserves policy of the Trust is to maintain a level of free reserves that will enable The Maltings to ensure continuity of activity and the ability to adjust, in a measured way, to any significant changes in resources. It remains our objective to achieve a minimum level of reserves of 25% of the budgeted operating expenditure and ideally a normal working level of reserves equal to 50% of the budgeted operating expenditure.

As can be seen in the 2018/19 balance sheet, we currently have a deficit of free reserves. In light of this, the Trustees have decided to remove the designation from the refurbishment reserve to ensure continuity of activity. The Trustees will review this designation on an annual basis taking into account any surplus generated in future years. Although we currently need to operate with a zero reserves policy, we are working to achieve the desired minimum of free reserves in the medium term.

5.4 Fixed assets

Movement in fixed assets are shown in note 14 to the accounts.

5.5 Public benefit

In considering the operation, achievements and performance and finances of the charity, the directors/trustees are satisfied that public benefit has been provided in accordance with the Charities Act 2011 and guidance provided by the Charities Commission.

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

Statement of trustees' responsibilities

The trustees, who are also the directors of The Maltings (Berwick) Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

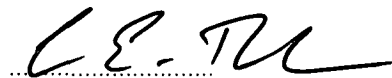
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company exemptions

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

The trustees' report was approved by the Board of Trustees.



Euan Duthie (Chair)
Trustee

Dated: 8/11/19

THE MALTINGS (BERWICK) TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE MALTINGS (BERWICK) TRUST

I report to the trustees on my examination of the financial statements of The Maltings (Berwick) Trust (the charity) for the year ended 31 March 2019.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements 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 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 financial statements to be reached.



Stephen Slater FCA

Member of the Institute of Chartered Accountants in England and Wales

for and on behalf of RMT Accountants & Business Advisors Ltd

Gosforth Park Avenue

Newcastle upon Tyne

NE12 8EG

Dated: 18/11/2019

THE MALTINGS (BERWICK) TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2019

		General Unrestricted funds	Designated Unrestricted funds	Restricted funds	Total 2019	Total 2018
	Notes	£	£	£	£	£
Income and endowments from:						
Donations and legacies	3	296,089	-	-	296,089	271,330
Charitable activities	4	433,424	-	82,500	515,924	361,012
Other trading activities	5	112,835	-	-	112,835	114,557
Investments	6	35	-	-	35	6
Other income	7	13,059	-	-	13,059	11,239
Total income		855,442	-	82,500	937,942	758,144
Expenditure on:						
Raising funds	8	154,924	-	3,635	158,559	158,496
Charitable activities	9	725,715	-	29,164	754,879	713,545
Other	14	11,383	-	-	11,383	11,769
Total resources expended		892,022	-	32,799	924,821	883,810
Tax credits receivable		36,254	-	-	36,254	44,610
Net (outgoing)/incoming resources before transfers		(326)	-	49,701	49,375	(81,056)
Gross transfers between funds		71,396	(71,396)	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		71,070	(71,396)	49,701	49,375	(81,056)
Fund balances at 1 April 2018		(88,024)	71,396	147,804	131,176	212,232
Fund balances at 31 March 2019		(16,954)	-	197,505	180,551	131,176

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE MALTINGS (BERWICK) TRUST

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	15		310,800		333,128
Heritage assets	16		55,300		55,300
Investments	17		100		-
			<u>366,200</u>		<u>388,428</u>
Current assets					
Stocks	19	1,181		3,609	
Debtors	20	79,092		64,030	
Cash at bank and in hand		52,008		46,529	
		<u>132,281</u>		<u>114,168</u>	
Creditors: amounts falling due within one year	21	(221,272)		(258,368)	
Net current liabilities			(88,991)		(144,200)
Total assets less current liabilities			277,209		244,228
Creditors: amounts falling due after more than one year	22		(96,658)		(113,052)
Net assets			<u>180,551</u>		<u>131,176</u>
Income funds					
Restricted funds	25		197,505		147,804
Designated Unrestricted funds			-		71,396
General Unrestricted funds			(16,954)		(88,024)
			<u>180,551</u>		<u>131,176</u>

THE MALTINGS (BERWICK) TRUST

BALANCE SHEET (CONTINUED)

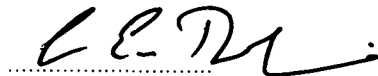
AS AT 31 MARCH 2019

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2019.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements 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 incoming resources and application of resources, including its income and expenditure, 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 financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 8/11/19



Euan Duthie (Chair)
Trustee

Company Registration No. 02332073

THE MALTINGS (BERWICK) TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	29		18,687		35,491
Investing activities					
Purchase of tangible fixed assets		(2,563)		(2,392)	
Purchase of subsidiaries		(100)		-	
Interest received		35		6	
Net cash used in investing activities			(2,628)		(2,386)
Financing activities					
Repayment of bank loans		(10,574)		(15,617)	
Net cash used in financing activities			(10,574)		(15,617)
Net increase in cash and cash equivalents			5,485		17,488
Cash and cash equivalents at beginning of year			46,523		29,035
Cash and cash equivalents at end of year			52,008		46,523
Relating to:					
Bank balances and short term deposits			52,008		46,529
Bank overdrafts			-		(6)

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Charity information

The Maltings (Berwick) Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is The Maltings Theatre & Cinema, Eastern Lane, Berwick upon Tweed, TD15 1AJ.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "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 Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The going concern basis assumes the on-going support of the Company's bankers and principal grant providers into the foreseeable future. Core funding from Northumberland County Council and Arts Council England has been awarded up to March 2022.

On this basis the Board continues to prepare the accounts on the basis that The Maltings remains a going concern. In the event of withdrawal or major reduction in funding, the use of this basis may need to be reviewed.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.4 Incoming resources

Pre-production costs of events are recognised on the production date. Income from productions is recognised on the production date.

Donations and grants are recognised when receivable, unless donors specify that grants must be used in future accounting periods, in which case the grant is deferred until those periods.

Grants for the purchase of fixed assets are deferred and released in line with the depreciation on the fixed asset.

When donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, the income is included as restricted income when receivable.

Programme Income represents income which is derived from the Trust's own promotions or derived from hire of the venue.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Resources expended are included on an accruals basis.

Certain expenditure is directly attributable to specific activities and has been included in those expenditure categories.

Other costs, which are attributable to more than one activity, are apportioned on the basis of an estimate of the proportion of time spent by staff on those activities. Governance costs are those incurred in the Trust and primarily associated with constitutional and statutory requirements.

Irrecoverable VAT is allocated to expenditure on charitable activities and is disclosed in note 9 to the accounts.

Programming expenditure only includes expenditure paid out artists engaged to undertake promotions on the Trust's behalf.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

General equipment	5% / 10% straight line
Office equipment & furnishings	15% reducing balance
Computer equipment	25% straight line
Studio refurbishment	5% straight line
Kitchen equipment	10% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Fixed Assets purchased prior to 31 March 2000 were capitalised 'at net cost after deduction of donations and grants toward their cost. Grants towards capital items are now treated as income to a designated fund and amortised over the capital life of the assets required. Fixed Assets are reviewed regularly for impairment and written down to their recoverable amount where necessary.

1.7 Heritage assets

The Maltings holds a 1950 Model D Steinway Piano which was donated by The Friends in 1990. Its value at acquisition was £16,445 but, in accordance with the accounting treatment at the time, was held at £nil net book value in the accounts.

Trustees recognise that this asset has appreciated in value since acquisition and will do so further. The Steinway is held and maintained principally for its contribution to culture within the 'community and has significant historical and artistic qualities.

Therefore, trustees have considered that the Steinway should be accounted for as a heritage asset which, under accounting standard FRS 102, should be recognised on the balance sheet at its current value.

Independent market valuation at March 2014 has been formally obtained from Besbrodes and a figure of £50,000 placed on the asset.

In 2011 The Maltings was donated an Otto Schwartz Baby Grand Piano GP 142. This was purchased by the donor for £3,300 and has therefore subsequently been valued at this amount. This has also been valued by Besbrodes last year at a value of £5,000 and so has been revalued to this amount in these accounts.

In 2012 The Maltings was donated a Danemann Library Grand Piano. This has been included at an independent valuation by Besbrodes as at 31st March 2014 of £300.

In the opinion of the trustees, the value of these items has not significantly changed.

The policy for receiving, accounting for, managing, preserving and disposing of such assets is held by trustees. The Maltings currently does not hold any other assets considered to be heritage assets, but would account for these in the same way upon acquisition.

Trustees regularly review the value of these assets. Following guidance laid down in the provisions of FRS 102, Trustees do not consider that depreciation is appropriate for this class of assets.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Stocks

Stocks include items for resale and are stated at the lower of cost and estimated selling price less costs to complete and sell.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Eligible staff are admitted to the NEST Auto Enrolment pension scheme with the employer's contribution currently confirmed at 3% of salary.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.16 Legal status of the charity

The company is limited by guarantee and has no share capital. In the event of a winding up, every member undertakes to contribute to the payment of liabilities such amount as may be required not exceeding the total of £1.

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.17 Charitable funds

Unrestricted Funds

The Revenue Fund is an unrestricted fund which is available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated Funds

Designated funds comprise unrestricted funds set aside specifically by the trustees for particular purposes.

The Refurbishment Reserve Fund is a designated fund which aims to provide a fund for the replacement of fixtures and fittings, by setting aside a periodic provision. The trustees are reviewing their current replacement policy and intend to assess an appropriate annualised replacement charge.

The Designated Capital Fund represents grants and donations received for the restricted purchase of capital items, which have been transferred to the designated fund on purchase to be written down by depreciation charges over their remaining useful economic lives.

Restricted Funds

Restricted funds are funds to be used in accordance with specific restrictions imposed by donors or raised for particular purposes. Costs relating to these funds are charged against the specific fund.

Restricted funds comprise:-

- The Third Age Project: for the provision of free theatre tickets and transport for the elderly only.
- Awards For All: Projection Equipment: for the purchase of a projector only.
- Community Foundation/Business Enterprise: for funding improvements to the charitable companies web site.
- Arts Council Visual Arts Study: for the visual arts study only.
- Paul Hamlyn: to maximize the impact of arts in education for young people.
- Ace Catalyst: to support the organisation to build fundraising capacity specific to arts and culture.
- Berwick Visual Arts: to develop and promote visual arts within the region

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions and experience of recoverability. There has been no valuations carried out by external surveyors to report.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

2 Critical accounting estimates and judgements

(Continued)

Determining residual values and useful economic lives of tangible fixed assets

The company depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by trustees when determining the residual values for tangible fixed assets. When determining the residual value trustees aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices. The carrying amount of tangible fixed assets at the reporting end date was £310,800 (2018 - £333,128)

3 Donations and legacies

	2019 £	2018 £
Donations and gifts	11,694	11,935
Grants received	284,395	259,395
	<u>296,089</u>	<u>271,330</u>
Grants receivable for core activities		
Northumberland County Council	108,008	83,008
Arts Council England, North East	176,387	176,387
	<u>284,395</u>	<u>259,395</u>

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

4 Charitable activities

	Theatre	Cinema	Visual Arts and Dance	Classes	Total	Total
	2019	2019	2019	2019	2019	2018
	£	£	£	£	£	£
Sales within charitable activities	194,784	137,411	19,102	10,706	362,003	309,009
Performance related grants	-	-	152,014	-	152,014	46,055
Other income	-	-	1,907	-	1,907	5,948
	<u>194,784</u>	<u>137,411</u>	<u>173,023</u>	<u>10,706</u>	<u>515,924</u>	<u>361,012</u>
Analysis by fund						
Unrestricted funds - general	194,784	137,411	90,523	10,706	433,424	361,012
Restricted funds	-	-	82,500	-	82,500	-
	<u>194,784</u>	<u>137,411</u>	<u>173,023</u>	<u>10,706</u>	<u>515,924</u>	<u>361,012</u>
For the year ended 31 March 2018						
Unrestricted funds - general	<u>178,300</u>	<u>106,141</u>	<u>65,823</u>	<u>10,748</u>		<u>361,012</u>

5 Other trading activities

	2019	2018
	£	£
Bar & confectionery sales	71,937	71,858
Letting	36,820	38,910
Advertising income	4,078	3,789
Other trading activities	<u>112,835</u>	<u>114,557</u>

6 Investments

	2019	2018
	£	£
Interest receivable	<u>35</u>	<u>6</u>

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

7 Other income

	2019 £	2018 £
Other income	13,059	11,239

8 Raising funds

	General Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Trading costs				
Bar & confectionery costs	31,018	-	31,018	31,281
Support costs	123,906	3,635	127,541	127,215
Trading costs	154,924	3,635	158,559	158,496
For the year ended 31 March 2018				
Trading costs	154,431	4,065		158,496

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Charitable activities

	Theatre	Cinema	Visual Arts and Dance	Classes	Total 2019	Total 2018
	£	£	£	£	£	£
Staff costs	11,297	-	69,579	11,480	92,356	103,718
Operating costs	73,237	70,588	111,324	-	255,149	260,071
	<u>84,534</u>	<u>70,588</u>	<u>180,903</u>	<u>11,480</u>	<u>347,505</u>	<u>363,789</u>
Share of support costs (see note 10)	210,308	151,076	23,099	11,771	396,254	337,382
Share of governance costs (see note 10)	5,902	4,240	648	330	11,120	12,374
	<u>300,744</u>	<u>225,904</u>	<u>204,650</u>	<u>23,581</u>	<u>754,879</u>	<u>713,545</u>
Analysis by fund						
General Unrestricted funds	294,584	221,479	186,416	23,236	725,715	
Restricted funds	6,160	4,425	18,234	345	29,164	
	<u>300,744</u>	<u>225,904</u>	<u>204,650</u>	<u>23,581</u>	<u>754,879</u>	
For the year ended 31 March 2018						
General Unrestricted funds	291,479	170,430	215,988	24,471		702,368
Restricted funds	6,328	3,767	701	381		11,177
	<u>297,807</u>	<u>174,197</u>	<u>216,689</u>	<u>24,852</u>		<u>713,545</u>

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Support costs

	Support costs £	Governance costs £	2019 £	2018 £
Staff costs	301,385	-	301,385	277,762
Depreciation	24,890	-	24,890	25,027
Box office	18,467	-	18,467	18,183
Premises & office costs	88,592	-	88,592	91,868
Marketing	37,030	-	37,030	24,200
General expenses	49,948	-	49,948	23,056
Accountancy	-	14,603	14,603	16,875
	<u>520,312</u>	<u>14,603</u>	<u>534,915</u>	<u>476,971</u>
Analysed between				
Trading	124,058	3,483	127,541	127,215
Charitable activities	396,254	11,120	407,374	349,756
	<u>520,312</u>	<u>14,603</u>	<u>534,915</u>	<u>476,971</u>

11 Independent examiner remuneration

The analysis of independent examiner's remuneration is as follows:

	2019 £	2018 £
Independent examination of the charity's annual accounts	<u>2,400</u>	<u>2,400</u>
Non-independent examination services		
Preparation of charity's annual accounts	<u>1,200</u>	<u>1,200</u>

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

13 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Full time	10	9
Part time	10	10
	<u>20</u>	<u>19</u>

Employment costs

	2019 £	2018 £
Wages and salaries	370,260	358,273
Social security costs	19,523	20,461
Other pension costs	3,958	2,746
	<u>393,741</u>	<u>381,480</u>

The full time equivalent of staff was 14 (2018 - 14).

There were no employees whose annual remuneration was £60,000 or more.

14 Other

	2019 £	2018 £
Financing costs	<u>11,383</u>	<u>11,769</u>

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

15 Tangible fixed assets

	General equipment	Office equipment & furnishings	Computer equipment	Studio refurb	Kitchen equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2018	176,093	7,119	31,202	332,230	6,161	552,805
Additions	1,054	1,120	389	-	-	2,563
Disposals	-	-	-	-	(6,161)	(6,161)
At 31 March 2019	177,147	8,239	31,591	332,230	-	549,207
Depreciation						
At 1 April 2018	109,761	3,063	30,831	69,861	6,161	219,677
Depreciation charged in the year	7,027	708	387	16,769	-	24,891
Eliminated in respect of disposals	-	-	-	-	(6,161)	(6,161)
At 31 March 2019	116,788	3,771	31,218	86,630	-	238,407
Carrying amount						
At 31 March 2019	60,359	4,468	373	245,600	-	310,800
At 31 March 2018	66,332	4,056	371	262,369	-	333,128

16 Heritage assets

	£
At 1 April 2018 and at 31 March 2019	55,300

17 Fixed asset investments

	Other investments
Cost or valuation	
At 1 April 2018	-
Additions	100
At 31 March 2019	100
Carrying amount	
At 31 March 2019	100
At 31 March 2018	-

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

17 Fixed asset investments		(Continued)	
	Notes	2019 £	2018 £
Other investments comprise:			
Investments in subsidiaries	27	100	-
		<u>100</u>	<u>-</u>
18 Financial instruments		2019 £	2018 £
Carrying amount of financial assets			
Debt instruments measured at amortised cost		68,510	50,426
		<u>68,510</u>	<u>50,426</u>
Carrying amount of financial liabilities			
Measured at amortised cost		204,496	232,053
		<u>204,496</u>	<u>232,053</u>
19 Stocks		2019 £	2018 £
Bar and shop stock		1,181	3,609
		<u>1,181</u>	<u>3,609</u>
20 Debtors		2019 £	2018 £
Amounts falling due within one year:			
Trade debtors		11,999	5,816
Amounts owed by subsidiary undertakings		16,511	-
Other debtors		40,000	44,610
Prepayments and accrued income		10,582	13,604
		<u>79,092</u>	<u>64,030</u>
21 Creditors: amounts falling due within one year		2019 £	2018 £
	Notes		
Bank loans and overdrafts	23	22,052	16,238
Other taxation and social security		37,803	45,111
Deferred income	24	75,631	94,256
Trade creditors		77,112	92,467
Accruals and deferred income		8,674	10,296
		<u>221,272</u>	<u>258,368</u>

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

22 Creditors: amounts falling due after more than one year

	Notes	2019 £	2018 £
Bank loans	23	96,658	113,052

23 Loans and overdrafts

	2019 £	2018 £
Bank overdrafts	-	6
Other loans	118,710	129,284
	<u>118,710</u>	<u>129,290</u>
Payable within one year	22,052	16,238
Payable after one year	96,658	113,052

Amounts included above which fall due after five years:

Payable by instalments	<u>22,370</u>	<u>41,494</u>
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The charity entered into a loan agreement with Northumberland County Council on the 20 March 2015 for an amount of £150,000. The term of this loan is for 10 years at a commercial interest of 3.87% and with repayments of £5,250 quarterly, commencing on 1 July 2016.

24 Deferred income

	2019 £	2018 £
Other deferred income	<u>75,631</u>	<u>94,256</u>

Deferred income is included in the financial statements as follows:

	2019 £	2018 £
Current liabilities	<u>75,631</u>	<u>94,256</u>

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

25 Movement in funds

	Movement in funds				
	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2019 £
Unrestricted funds					
General funds	(88,024)	891,696	(892,022)	71,396	(16,954)
	(88,024)	891,696	(892,022)	71,396	(16,954)
Designated funds					
Refurbishment Repair Reserve	71,396	-	-	(71,396)	-
Total unrestricted funds	(16,628)	891,696	(892,022)	-	(16,954)
Restricted funds					
Artistic development	99,683	-	(13,342)	-	86,341
Visual Arts Study	720	-	-	-	720
Awards For All - Projection Equipment	45,738	-	(1,900)	-	43,838
Community Foundation/Business Enterprise - Web	373	-	-	-	373
Third Age Project	1,290	-	-	-	1,290
Paul Hamlyn Foundation	-	40,000	(6,205)	-	33,795
Ace Catalyst	-	22,500	(11,058)	-	11,442
Berwick Visual Arts	-	20,000	(294)	-	19,706
Total restricted funds	147,804	82,500	(32,799)	-	197,505
Total funds	131,176	974,196	(924,821)	-	180,551

26 Analysis of net assets between funds

	Unrestricted £	Designated £	Restricted £	Total £
Fund balances at 31 March 2019 are represented by:				
Tangible assets	78,461	-	232,339	310,800
Heritage assets	55,300	-	-	55,300
Investments	100	-	-	100
Current assets/(liabilities)	(54,157)	-	(34,834)	(88,991)
Long term liabilities	(96,658)	-	-	(96,658)
	(16,954)	-	197,505	180,551

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

27 Subsidiaries

These financial statements are separate charity financial statements for The Maltings (Berwick) Trust.

Separate company financial statements are required to be prepared by law.

Details of the charity's subsidiaries at 31 March 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
The Maltings (Berwick) Catering Limited	England & Wales	Operating of bar and catering facilities	Ordinary	100.00	

28 Related party transactions

The following amounts were outstanding at the reporting end date:

Amounts owed by related parties

	2019 Balance £	2018 Balance £
Entities over which the entity has control, joint control or significant influence	16,511	-
	<u>16,511</u>	<u>-</u>

No guarantees have been given or received.

29 Cash generated from operations

	2019 £	2018 £
Surplus/(deficit) for the year	49,375	(81,056)
Adjustments for:		
Investment income recognised in statement of financial activities	(35)	(6)
Depreciation and impairment of tangible fixed assets	24,891	25,027
Movements in working capital:		
Decrease/(increase) in stocks	2,428	(609)
(Increase)/decrease in debtors	(15,062)	1,528
(Decrease)/increase in creditors	(24,285)	44,034
(Decrease)/increase in deferred income	(18,625)	46,573
Cash generated from operations	<u>18,687</u>	<u>35,491</u>