

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 2020



THE
MALTINGS
BERWICK

THE MALTINGS (BERWICK) TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Jonathan Lang Janette Casson MBE Scott Sherrard Graham Brown C. Euan Duthie Q.C. Susan Smith William Jackson Susan Hallsworth Matthew Runham	(Appointed 19 December 2019) (Appointed 22 January 2020) (Appointed 1 April 2020)
Artistic director and Joint Chief Executive	Matthew Rooke (until 06/01/2020)	
Executive Director and Joint Chief Executive	Rosanne Lamont (until 06/01/2020)	
Executive Director and Chief Executive	Rosanne Lamont (from 06/01/2020)	
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 2020

The trustees present their report and financial statements for the year ended 31 March 2020.

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	
Janette Casson MBE	
Scott Sherrard	
Graham Brown	
C. Euan Duthie Q.C.	
Susan Smith	
William Jackson	(Appointed 19 December 2019)
Susan Hallsworth	(Appointed 22 January 2020)
Matthew Runham	(Appointed 1 April 2020)

The maximum number of trustees is unlimited.

Staff team as at 31 March 2020

<i>Programming and Projects Associate:</i>	Daniel Cox
<i>Duty Manager:</i>	Neil Davidson
<i>Housekeeping:</i>	Januario Espejo
<i>Box office:</i>	Ross Graham
<i>Invigilator:</i>	Sarah Graham
<i>Theatre Manager:</i>	Shona Hammon
<i>Communications Officer:</i>	Eve Johnstone
<i>Executive Director (CEO):</i>	Rosanne Lamont
<i>Head of Visual Arts:</i>	James Lowther
<i>Box Office:</i>	Cloudy Manningham
<i>Technical Manager:</i>	James Manningham
<i>Box Office:</i>	Charlotte Payne
<i>Invigilator:</i>	Oliver Payne
<i>Head of Youth Drama:</i>	Wendy Payne
<i>Technician:</i>	Kirk Sim
<i>Learning & Education Manager</i>	Val Tobias

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

1. Chairman's statement

1.1 Introduction

The Maltings is the cultural heart of Berwick. We are passionate about ensuring that high quality theatre, cinema, live performances, dance, art exhibitions, talks and festivals are available and accessible to all. We operate three principal venues (the main theatre building at Eastern Lane, the Gymnasium Gallery in Berwick's historic Barracks and the Granary Gallery) and venture further afield as required.

We are the principal professional digital cinema serving a rural area of 1,000 square miles. As a principal creative hub, and an organisation with social objectives, we have a strong partnership programme with artists, local organisations, schools and community groups to create and hold events and also have a well-established outreach programme: community and audience engagement is at the heart of what we do. Our visual arts programme is a major regional resource for visual arts development and learning, supports emerging artists and has an international reach for our residencies. Over the last 30 years over 1000 artists and companies have performed at the Maltings with over 1 million tickets sold. The annual programme is varied and includes over 600 events, screenings, workshops and exhibitions each year.

1.2 The last year

The Maltings (Berwick) Trust has continued to present a well-received and diverse live events programme at its Eastern Lane venue. Ticket sales rose by 11% volume against the previous year and box office income by approximately 10%.

In 2019-20, the performances and productions originated by The Maltings were:

- *Gregory's Girl* (9-11 May 2019)
- *Peter Pan* (13-15 June 2019)
- Berwick Festival Opera *Pirates of Penzance* (7&8 September 2019)
- Roman Baca *Spring Works* (11 October 2019)
- Berwick Festival Opera *Carmen Nights* (15&16 November 2019)
- *The Snowman* with live orchestra (7 December)
- *Aladdin* (14-30 December 2019)

The Trust's visual arts initiative, Berwick Visual Arts, continued to enhance its reputation nationally and internationally for programming both The Gymnasium and Granary galleries, including a year round schools education programme and much sought after artist residency opportunities. We curated one of our most prestigious summer exhibitions to date, *Turner : Northern Exposure* with loans from Tate, the V&A and the Manchester Art Gallery. We also worked in partnership with the National Trust to deliver the Northumberland element of the UK wide *First There is a Mountain* public art project on Seahouses Beach in August 2019.

In parallel with our artistic outputs, the Trustees and Executive have focused on reviewing, overhauling and enhancing our financial processes and improving performance throughout 2019/20 with a view to providing a more secure foundation for the future development of the organisation.

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

1.3 The future

We recognise that the combination of pressure on public funding and increased competition for public and grant funding requires us to 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 England's 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.

While 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 Eastern Lane building, which continues to be a focus for discussion with its owners, NCC.

1.4 Acknowledgements


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

My thanks go to our audiences who bought over 55,000 tickets last year, as well our c.25,000 gallery visitors. As an organisation rooted in the community their support is critical.

The Trust is indebted to all members of our staff led by our new C.E.O., Ros Lamont, for their continuing enthusiasm, commitment and loyalty.

Another vital ingredient in our viability is the generous and enthusiastic contribution made by volunteers in various 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.

Finally, I must thank my fellow Trustees for their enormous efforts, commitment and diligence throughout this year. Their experience, energy and wisdom have proven invaluable.



C. Euan Duthie Q.C.

Chair of the Board of Trustees

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

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, the third of elected Trustees who have been longest in office are required to retire. A retiring elected Trustee is eligible for re-election for one additional term.

The Board of Trustees meet formally every three months, with an annual general meeting held every autumn and further informal meetings as required. The Finance and General Purposes Sub Committee meets on a quarterly cycle between Board meetings and further as required.

Policy decisions, risk management, fundraising, capital development and financial issues are regularly referred to the Trustees. All programming, external affairs, resource and operational decisions are delegated to the Executive Director, who may consult the Trustees as required.

The Trustees serving during the year ended 31 March 2020 as Directors of the company 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 Risk statement

The Board of Trustees takes the risks to which The Maltings (Berwick) Trust is exposed very seriously. With additional emphasis on risk within SORP FRS 102, the Board has established a rolling risk register, which is reviewed regularly by the Finance and General Purposes Sub Committee, and subsequently by the full Board.

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

These areas of risk merit special attention:

- A shortage of cash reserves with which to meet any crisis with financial impact. Our long term financial plans aim to address this, with an increasing emphasis on fundraising and diversifying income sources.
- The final two weeks of this financial year saw a cessation of all trading activity due to the COVID-19 pandemic and restrictions imposed by Central Government. The impact of the pandemic will continue to have a profound and adverse effect on the entire arts sector throughout 2020 and beyond. We recognise the scale of the challenge this presents – overcoming it will require innovation at all levels of our organisation as well as additional financial support from multiple sources.
- Margins on trading figures remain small and are insufficient to cover forthcoming inflation costs and decreasing grant income. On income, we aim to increase ticket sales for cinema and simulcast screenings year on year.
- We are working closely with Northumberland County Council (NCC) to explore long term solutions to the increasingly pressing liabilities around the upkeep and routine maintenance of the Eastern Lane building. The Maltings has been confirmed as a priority for support under the UK government's Borderlands Growth Initiative and a series of architectural and business feasibility studies are on-going to confirm how best to take this forward.
- The Finance & General Purposes Sub Committee monitors cash flow closely and is striving to improve liquidity as a priority.

COVID-19 risk

The ongoing COVID-19 pandemic continues to generate a significant level of uncertainty in the global economy. The Board regularly assess the likely effects on the charity's operations in an attempt to mitigate the risk as far as possible.

3. Achievements and performance

3.1 Cinema

Cinema remains a crucial revenue stream and one of our most universally appealing programme strands. We continue to offer digital quality films in both our Main House and the Studio, showing an increasing number of mainstream films in their first week of release.

During the year, our Programme Manager continued to work closely with Berwick Film Society to maintain the frequency and range of film on offer. Our satellite broadcast capacity continues to ensure our community can easily access the work of the National Theatre, Royal Opera House, Royal Ballet and Royal Shakespeare Company, as well as live streams of popular music events.

3.2 Performing arts

During 2019/20 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 the North East's Bridging The Gap initiative (hosting an emerging company to present new work in our venue), as well as showcasing the work of Fertile Ground young graduates dance company. We also continued to develop our working relationship with the Royal Northern Sinfonia via our joint programme of chamber music concerts.

The fifth year of our in-house fully professional Pantomime Aladdin achieved our highest ever sales and was widely praised by audiences. We also developed a concert performance and screening of The Snowman for pre-school children in early December, which toured to the Queens Hall in Hexham.

2019/20 was the sixth year of Berwick Festival Opera (BFO), an initiative 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 Pirates of Penzance in the Main House, as well a Studio performance of Carmen Nights. We also continued our creative partnership with Byre Opera by hosting their production of Riders to the Sea.

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

Three years working with US choreographer Roman Baca culminated in a week-long residency for a specially recruited company of young dancers. The Spring Works project is a work-in-progress exploring ritual and sacrifice in the context of both the 1918 Armistice and present day conflicts and as a response to Stravinsky's The Rite of Spring.

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 20, we hosted a summer holiday Play in a Week immersive drama course. Our Youth Theatre also presented a full scale production of Peter Pan in the Main House, as well as a very well-received production of Gregory's Girl.

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's talent pool 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 an ambitious approach to live programming spanning contemporary, folk, jazz, and popular music, as well as theatre, comedy, dance and writers' events -aiming to showcase a range of work from a diverse range of cultural backgrounds reflecting modern Britain as a whole.

3.3 Berwick Visual Arts

During 2019/20 we commissioned and curated five exhibitions across our two gallery spaces (The Granary Gallery and The Gymnasium) with a total visitor audience of 24,540.

Our programme of work was as follows:

Exhibition programme:

Roy Voss : The Way Things Are	April & June 2019
Turner : Northern Exposure	May - October 2019
Tania Kovats : Head to Mouth	June - September 2019
George Clark : Double Ghosts	43709
Wilhelmina Barns-Graham : Inspirational Journeys	October 2019 - February 2020

3.4 General activity

	2018/19	2019/20
Tickets sold	51,084.00	56,773.00
Value of tickets	£482,237	£529,405
Films / digital broadcasts	302	356
Live performances	236	211

During 2019/20 The Maltings (Berwick) Trust continued to reduce the volume of live events offered so as to invest in quality, minimise instances of internal competition which force audiences to make a one night choice, and manage staff capacity effectively. The scale and range of our programme still significantly exceeds the number offered by similar venues in the region.

3.5 Plans for the future

We will, as is a necessity for all such organisations, innovate and respond in order to recover from the adverse effects of the COVID-19 pandemic. Our aspirations for 2020/21 have been the continued consolidation of our film and live programmes as well as on-going development of BVA - working towards a single unifying brand and visual identity for every aspect of our work by the end of the year.

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

We are also committed to a wide-ranging review of our operations to ensure the streamlined and efficient use of all our resources going forward. This is intended to provide a solid foundation for what promises to be a long term programme of transition and change if our ambition to secure funding for a capital development at the Eastern Lane site is successful.

We face the year ahead with the perennial 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 organisations with a strong business base, and equally strong connections and relationships across all the communities served.

We will strive to deliver a finely judged balance between delivering against financial, social and artistic objectives in all our endeavours. Growing our engagement with hard to reach audiences and first time attenders continues to be central to our future planning.

4. Engaging with the Community

Community and audience engagement is at the heart of our operations. 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 2019/20 included:

Berwick Film Society
Berwick Film and Media Arts Festival
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.

5. Financial review

5.1 Restricted funding grants 2019/120

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 (Berwick) Trust 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 2019/20. 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.

THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

5.3 Reserves

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

As can be seen in the balance sheet, we currently have a small deficit £5,107 of free reserves (unrestricted funds less fixed assets). This is a significant improvement on last year with unrestricted funds now in surplus. Although we currently need to operate with the minimum reserves policy, we are working to achieve the desired target of free reserves in print the medium term.

5.4 Fixed assets

Movement in fixed assets are shown in note 15 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.

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.

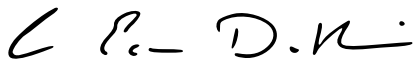
THE MALTINGS (BERWICK) TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

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.



C. Euan Duthie Q.C.
Chair of the Board of Trustees

Dated: 18 August 2020

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 2020.

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).

An audit dispensation was granted to the charity by the Charity Commission on 12 June 2020 under regulation 34(3)(b) of the Charities (Accounts and Reports) Regulations 2008.

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 August 2020

THE MALTINGS (BERWICK) TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income and endowments from:					
Donations and legacies	3	329,700	-	329,700	296,089
Charitable activities	4	511,483	13,750	525,233	515,924
Other trading activities	5	90,290	-	90,290	112,835
Investments	6	42	-	42	35
Other income	7	13,224	139,250	152,474	13,059
Total income		<u>944,739</u>	<u>153,000</u>	<u>1,097,739</u>	<u>937,942</u>
Expenditure on:					
Raising funds	8	98,683	2,712	101,395	158,559
Charitable activities	9	724,528	77,508	802,036	754,879
Other	14	10,971	121,274	132,245	11,383
Total resources expended		<u>834,182</u>	<u>201,494</u>	<u>1,035,676</u>	<u>924,821</u>
Tax credits receivable		28,250	-	28,250	36,254
Net income/(expenditure) for the year/ Net movement in funds		138,807	(48,494)	90,313	49,375
Fund balances at 1 April 2019		(16,954)	197,505	180,551	131,176
Fund balances at 31 March 2020		<u>121,853</u>	<u>149,011</u>	<u>270,864</u>	<u>180,551</u>

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 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	15		288,657		310,800
Heritage assets	16		55,300		55,300
Investments	17		100		100
			<u>344,057</u>		<u>366,200</u>
Current assets					
Stocks	18	1,129		1,181	
Debtors	19	68,214		79,092	
Cash at bank and in hand		30,036		52,008	
		<u>99,379</u>		<u>132,281</u>	
Creditors: amounts falling due within one year	20	(93,426)		(221,272)	
Net current assets/(liabilities)			<u>5,953</u>		<u>(88,991)</u>
Total assets less current liabilities			<u>350,010</u>		<u>277,209</u>
Creditors: amounts falling due after more than one year	21		(79,146)		(96,658)
Net assets			<u>270,864</u>		<u>180,551</u>
Income funds					
Restricted funds	24		149,011		197,505
Unrestricted funds - general			121,853		(16,954)
			<u>270,864</u>		<u>180,551</u>

THE MALTINGS (BERWICK) TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2020

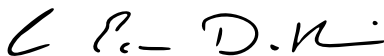
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020.

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.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 18 August 2020



C. Euan Duthie Q.C.

Chair of the Board of Trustees

Company Registration No. 02332073

THE MALTINGS (BERWICK) TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	28		2,416		18,687
Investing activities					
Purchase of tangible fixed assets		(2,378)		(2,563)	
Purchase of subsidiaries		-		(100)	
Interest received		42		35	
Net cash used in investing activities			(2,336)		(2,628)
Financing activities					
Repayment of bank loans		(22,052)		(10,574)	
Net cash used in financing activities			(22,052)		(10,574)
Net (decrease)/increase in cash and cash equivalents			(21,972)		5,485
Cash and cash equivalents at beginning of year			52,008		46,523
Cash and cash equivalents at end of year			30,036		52,008

THE MALTINGS (BERWICK) TRUST

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

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

The financial statements have been prepared on the going concern basis. The Board has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. This includes taking into account the potential impact of COVID-19 to ensure that cashflow is positively managed and the impact to the charity's operations are mitigated. The Board has concluded that the going concern assumption is appropriate in preparing these 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 2020

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.

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.

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.

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

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 in 2014 at a value of £5,000 and so has been revalued to this amount in these accounts.

In 2012 The Mailings 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 2020

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 2020

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.

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.

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

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.
- Borderlands: for the provision of feasibility and planning work in relation to a new venue.
- Glasgow Boys and Girls: for the exhibition of art works from the Fleming Wyfold Collection in the Granary Gallery.
- NCC Branding: for developing new branding and visual identity for The Maltings (Berwick) Trust.

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 2020

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 £288,657 (2019 - £310,800)

3 Donations and legacies

	2020 £	2019 £
Donations and gifts	70,305	11,694
Grants received	259,395	284,395
	<u>329,700</u>	<u>296,089</u>
Grants receivable for core activities		
Northumberland County Council	83,008	108,008
Arts Council England, North East	176,387	176,387
	<u>259,395</u>	<u>284,395</u>

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

4 Charitable activities

	Theatre	Cinema	Visual Arts and Dance	Classes	Total 2020	Total 2019
	2020	2020	2020	2020		
	£	£	£	£	£	£
Sales within charitable activities	197,092	162,456	34,275	10,654	404,477	362,003
Performance related grants	-	-	115,887	-	115,887	152,014
Other income	-	-	4,869	-	4,869	1,907
	<u>197,092</u>	<u>162,456</u>	<u>155,031</u>	<u>10,654</u>	<u>525,233</u>	<u>515,924</u>
	<u><u>197,092</u></u>	<u><u>162,456</u></u>	<u><u>155,031</u></u>	<u><u>10,654</u></u>	<u><u>525,233</u></u>	<u><u>515,924</u></u>
Analysis by fund						
Unrestricted funds - general	197,092	162,456	141,281	10,654	511,483	433,424
Restricted funds	-	-	13,750	-	13,750	82,500
	<u>197,092</u>	<u>162,456</u>	<u>155,031</u>	<u>10,654</u>	<u>525,233</u>	<u>515,924</u>
	<u><u>197,092</u></u>	<u><u>162,456</u></u>	<u><u>155,031</u></u>	<u><u>10,654</u></u>	<u><u>525,233</u></u>	<u><u>515,924</u></u>

For the year ended 31 March 2019

	Theatre	Cinema	Visual Arts and Dance	Classes	Total 2019
	£	£	£	£	£
Sales within charitable activities	194,784	137,411	19,102	10,706	362,003
Performance related grants	-	-	152,014	-	152,014
Other income	-	-	1,907	-	1,907
	<u>194,784</u>	<u>137,411</u>	<u>173,023</u>	<u>10,706</u>	<u>515,924</u>
	<u><u>194,784</u></u>	<u><u>137,411</u></u>	<u><u>173,023</u></u>	<u><u>10,706</u></u>	<u><u>515,924</u></u>
Analysis by fund					
Unrestricted funds - general	194,784	137,411	90,523	10,706	433,424
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><u>194,784</u></u>	<u><u>137,411</u></u>	<u><u>173,023</u></u>	<u><u>10,706</u></u>	<u><u>515,924</u></u>

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

5 Other trading activities

	2020 £	2019 £
Bar & confectionery sales	24,867	71,937
Letting	60,298	36,820
Advertising income	5,125	4,078
Other trading activities	<u>90,290</u>	<u>112,835</u>

6 Investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Interest receivable	<u>42</u>	<u>35</u>

7 Other income

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £
Other income	<u>13,224</u>	<u>139,250</u>	<u>152,474</u>	<u>13,059</u>

8 Raising funds

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
<u>Trading costs</u>						
Bar & confectionery costs	12,508	-	12,508	31,018	-	31,018
Support costs	86,175	2,712	88,887	123,906	3,635	127,541
Trading costs	<u>98,683</u>	<u>2,712</u>	<u>101,395</u>	<u>154,924</u>	<u>3,635</u>	<u>158,559</u>
	<u>98,683</u>	<u>2,712</u>	<u>101,395</u>	<u>154,924</u>	<u>3,635</u>	<u>158,559</u>

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

9 Charitable activities

	Theatre	Cinema	Visual Arts and Dance	Classes	Total 2020	Total 2019
	2020	2020	2020	2020		
	£	£	£	£	£	£
Staff costs	14,020	-	72,280	9,208	95,508	92,356
Operating costs	85,361	76,664	133,881	-	295,906	255,149
	<u>99,381</u>	<u>76,664</u>	<u>206,161</u>	<u>9,208</u>	<u>391,414</u>	<u>347,505</u>
Share of support costs (see note 10)	188,203	155,130	37,379	10,173	390,885	396,254
Share of governance costs (see note 10)	9,503	7,833	1,887	514	19,737	11,120
	<u>297,087</u>	<u>239,627</u>	<u>245,427</u>	<u>19,895</u>	<u>802,036</u>	<u>754,879</u>
	<u><u>297,087</u></u>	<u><u>239,627</u></u>	<u><u>245,427</u></u>	<u><u>19,895</u></u>	<u><u>802,036</u></u>	<u><u>754,879</u></u>
Analysis by fund						
Unrestricted funds - general	291,054	234,654	179,251	19,569	724,528	725,715
Restricted funds	6,033	4,973	66,176	326	77,508	29,164
	<u>297,087</u>	<u>239,627</u>	<u>245,427</u>	<u>19,895</u>	<u>802,036</u>	<u>754,879</u>
	<u><u>297,087</u></u>	<u><u>239,627</u></u>	<u><u>245,427</u></u>	<u><u>19,895</u></u>	<u><u>802,036</u></u>	<u><u>754,879</u></u>

For the year ended 31 March 2019

	Theatre	Cinema	Visual Arts and Dance	Classes	Total 2019
	£	£	£	£	£
Staff costs	11,297	-	69,579	11,480	92,356
Operating costs	73,237	70,588	111,324	-	255,149
	<u>84,534</u>	<u>70,588</u>	<u>180,903</u>	<u>11,480</u>	<u>347,505</u>
Share of support costs (see note 10)	210,308	151,076	23,099	11,771	396,254
Share of governance costs (see note 10)	5,902	4,240	648	330	11,120
	<u>300,744</u>	<u>225,904</u>	<u>204,650</u>	<u>23,581</u>	<u>754,879</u>
	<u><u>300,744</u></u>	<u><u>225,904</u></u>	<u><u>204,650</u></u>	<u><u>23,581</u></u>	<u><u>754,879</u></u>
Analysis by fund					
Unrestricted funds - general	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>
	<u><u>300,744</u></u>	<u><u>225,904</u></u>	<u><u>204,650</u></u>	<u><u>23,581</u></u>	<u><u>754,879</u></u>

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

10 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs	275,582	-	275,582	301,385	-	301,385
Depreciation	24,521	-	24,521	24,890	-	24,890
Box office	21,222	-	21,222	18,467	-	18,467
Premises & office costs	90,539	-	90,539	88,592	-	88,592
Marketing	31,119	-	31,119	37,030	-	37,030
General expenses	32,516	-	32,516	49,948	-	49,948
Accountancy	-	24,010	24,010	-	14,603	14,603
	<u>475,499</u>	<u>24,010</u>	<u>499,509</u>	<u>520,312</u>	<u>14,603</u>	<u>534,915</u>
Analysed between						
Trading	84,614	4,273	88,887	124,058	3,483	127,541
Charitable activities	390,885	19,737	410,622	396,254	11,120	407,374
	<u>475,499</u>	<u>24,010</u>	<u>499,509</u>	<u>520,312</u>	<u>14,603</u>	<u>534,915</u>

11 Independent examiner remuneration

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

	2020	2019
	£	£
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 2020

13 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Full time	10	10
Part time	12	10
	<u>22</u>	<u>20</u>

Employment costs

	2020 £	2019 £
Wages and salaries	344,848	370,260
Social security costs	20,303	19,523
Other pension costs	5,939	3,958
	<u>371,090</u>	<u>393,741</u>

The full time equivalent of staff was 15 (2019 - 14).

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

14 Other

	Unrestricted funds general £	Restricted funds £	Total 2020 £	Total 2019 £
Financing costs	10,971	-	10,971	11,383
Other expenditure	-	121,274	121,274	-
	<u>11,383</u>	<u>-</u>	<u>11,383</u>	<u>11,383</u>

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

15 Tangible fixed assets

	General equipment	Office equipment & furnishings	Computer equipment	Studio refurb	Total
	£	£	£	£	£
Cost					
At 1 April 2019	177,147	8,239	31,591	332,230	549,207
Additions	-	-	2,378	-	2,378
Disposals	-	-	-	-	-
At 31 March 2020	177,147	8,239	33,969	332,230	551,585
Depreciation					
At 1 April 2019	116,788	3,771	31,218	86,630	238,407
Depreciation charged in the year	6,899	669	243	16,710	24,521
Eliminated in respect of disposals	-	-	-	-	-
At 31 March 2020	123,687	4,440	31,461	103,340	262,928
Carrying amount					
At 31 March 2020	53,460	3,799	2,508	228,890	288,657
At 31 March 2019	60,359	4,468	373	245,600	310,800

16 Heritage assets

	£
At 1 April 2019 and at 31 March 2020	55,300

17 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2019 & 31 March 2020		100
Carrying amount		
At 31 March 2020		100
At 31 March 2019		100
		2020
Other investments comprise:	Notes	£
Investments in subsidiaries	26	100
		2019
		£
		100

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

18	Stocks		2020	2019
			£	£
	Shop stock		1,129	1,181
			<u>1,129</u>	<u>1,181</u>
			<u><u>1,129</u></u>	<u><u>1,181</u></u>
19	Debtors		2020	2019
			£	£
	Amounts falling due within one year:			
	Trade debtors		662	11,999
	Amounts owed by subsidiary undertakings		15,863	16,511
	Other debtors		40,253	40,000
	Prepayments and accrued income		11,436	10,582
			<u>68,214</u>	<u>79,092</u>
			<u><u>68,214</u></u>	<u><u>79,092</u></u>
20	Creditors: amounts falling due within one year		2020	2019
		Notes	£	£
	Bank loans	22	17,512	22,052
	Other taxation and social security		34	37,803
	Deferred income	23	40,793	75,631
	Trade creditors		29,472	77,112
	Accruals and deferred income		5,615	8,674
			<u>93,426</u>	<u>221,272</u>
			<u><u>93,426</u></u>	<u><u>221,272</u></u>
21	Creditors: amounts falling due after more than one year		2020	2019
		Notes	£	£
	Bank loans	22	79,146	96,658
			<u>79,146</u>	<u>96,658</u>
			<u><u>79,146</u></u>	<u><u>96,658</u></u>

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

22 Loans and overdrafts

	2020	2019
	£	£
Other loans	96,658	118,710
Payable within one year	17,512	22,052
Payable after one year	79,146	96,658
Amounts included above which fall due after five years:		
Payable by instalments	-	22,370

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.

23 Deferred income

	2020	2019
	£	£
Other deferred income	40,793	75,631
Deferred income is included in the financial statements as follows:		
Current liabilities	40,793	75,631

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

24 Movement in funds

	Movement in funds				Balance at 31 March 2020 £
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	
Unrestricted funds					
General funds	(16,954)	972,989	(834,182)	-	121,853
	<u>(16,954)</u>	<u>972,989</u>	<u>(834,182)</u>	<u>-</u>	<u>121,853</u>
Total unrestricted funds	<u>(16,954)</u>	<u>972,989</u>	<u>(834,182)</u>	<u>-</u>	<u>121,853</u>
Restricted funds					
Artistic development	86,341	-	(13,718)	-	72,623
Visual Arts Study	720	-	-	-	720
Awards For All - Projection Equipment	43,838	-	(1,524)	-	42,314
Community Foundation/Business Enterprise - Web	373	-	-	-	373
Third Age Project	1,290	-	-	-	1,290
Paul Hamlyn Foundation	33,795	-	(33,795)	-	-
Ace Catalyst	11,442	-	(11,442)	-	-
Berwick Visual Arts	19,706	-	(19,706)	-	-
Glasgow Boys	-	8,750	(35)	-	8,715
Borderlands	-	139,250	(121,274)	-	17,976
NCC Branding	-	5,000	-	-	5,000
	<u>197,505</u>	<u>153,000</u>	<u>(201,494)</u>	<u>-</u>	<u>149,011</u>
Total restricted funds	<u>197,505</u>	<u>153,000</u>	<u>(201,494)</u>	<u>-</u>	<u>149,011</u>
Total funds	<u>180,551</u>	<u>1,125,989</u>	<u>(1,035,676)</u>	<u>-</u>	<u>270,864</u>

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

24 Movement in funds

(Continued)

Year ended 31 March 2019

	Movement in funds				Balance at 31 March 2019 £
	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Transfers £	
Unrestricted funds					
General funds	(88,024)	891,696	(892,022)	71,396	(16,954)
	<u>(88,024)</u>	<u>891,696</u>	<u>(892,022)</u>	<u>71,396</u>	<u>(16,954)</u>
Designated funds					
Refurbishment Repair Reserve	71,396			(71,396)	-
	<u>71,396</u>			<u>(71,396)</u>	<u>-</u>
Total unrestricted funds	<u>(16,628)</u>	<u>891,696</u>	<u>(892,022)</u>	<u>-</u>	<u>(16,954)</u>
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
Maltings Youth Theatre	-	-	-	-	-
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
	-	-	35	-	(35)
	-	-	121,274	-	(121,274)
	<u>147,804</u>	<u>82,500</u>	<u>(154,108)</u>	<u>-</u>	<u>76,196</u>
Total restricted funds	<u>147,804</u>	<u>82,500</u>	<u>(154,108)</u>	<u>-</u>	<u>76,196</u>
Total funds	<u><u>131,176</u></u>	<u><u>974,196</u></u>	<u><u>(1,046,130)</u></u>	<u><u>-</u></u>	<u><u>59,242</u></u>

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

25 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 March 2020 are represented by:			
Tangible assets	71,560	217,097	288,657
Heritage assets	55,300	-	55,300
Investments	100	-	100
Current assets/(liabilities)	74,039	(68,086)	5,953
Long term liabilities	(79,146)	-	(79,146)
	<u>121,853</u>	<u>149,011</u>	<u>270,864</u>

For the year ended 31 March 2019

	Unrestricted £	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)
	<u>(16,954)</u>	<u>197,505</u>	<u>180,551</u>

26 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 2020 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	

THE MALTINGS (BERWICK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

27 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	48,952	49,500
	<u>48,952</u>	<u>49,500</u>

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties 2020		Amounts owed by related parties 2019	
	Balance £	Net £	Balance £	Net £
Entities over which the entity has control, joint control or significant influence	15,863	15,863	16,511	16,511
	<u>15,863</u>	<u>15,863</u>	<u>16,511</u>	<u>16,511</u>

28 Cash generated from operations

	2020 £	2019 £
Surplus for the year	90,313	49,375
Adjustments for:		
Investment income recognised in statement of financial activities	(42)	(35)
Depreciation and impairment of tangible fixed assets	24,521	24,891
Movements in working capital:		
Decrease in stocks	52	2,428
Decrease/(increase) in debtors	10,878	(15,062)
(Decrease) in creditors	(88,468)	(24,285)
(Decrease) in deferred income	(34,838)	(18,625)
Cash generated from operations	<u>2,416</u>	<u>18,687</u>