

**STAG COMMUNITY ARTS CENTRE
(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

Contents	Page
General Information	1
Chairman's Statement	2-3
Trustees' Report	4-13
Independent Auditor's Report	14-15
Consolidated Statement of Financial Activities	16
Consolidated Balance Sheet	17
Charity Balance Sheet	18
Notes to the Financial Statements	19-28

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

General information

Trustees

Simon Raikes, Chairman
Pam Walshe, Vice Chairman

Stephen Arnold
Cathy Baker (resigned 7 May 2015)
Nicholas Busvine OBE
Meryllyn Canet
Maxine Chakowa (appointed 14 May 2015)
Graham Clack (resigned 7 May 2015)
Tony Clayton
Margaret Crabtree (resigned 7 May 2015)
Ann Dawson (resigned 7 May 2015)
Roderick Hogarth
Merrill London (resigned 7 May 2015)
Rachel Parry (appointed 14 May 2015)
Richard Parry
Edward Parson (appointed 14 May 2015)
Robert Piper
Oliver Schneider (appointed 14 May 2015)
Edward Waite (appointed 14 May 2015)

Company registered number

07090305

Charity registered number

1137420

Registered and principal operating office

London Road
Sevenoaks
KENT
TN13 1ZZ

Bank

NatWest PLC
67 High Street
Sevenoaks
KENT
TN13 1LA

Auditor

Crowe Clark Whitehill LLP
Chartered Accountants / Statutory Auditor
10 Palace Avenue
Maidstone
Kent
ME15 6NF

**STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)**

**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015**

This was a significant year for the Stag Community Arts Centre (SCAC), as it was the first year without any grant from Sevenoaks District Council – a reduction in income of £75,000 over last year. This is something that was known and understood when Sevenoaks Town Council took on the lease 6 years ago, and has been a major factor in financial planning ever since.

It is a credit to the volunteers, staff and management at the Stag that the challenge has been successfully met as will be obvious from the financial details included in this report. Sevenoaks District Council nevertheless continues its support through its ownership of the venue and the lease granted to Sevenoaks Town Council.

	<i>2015</i>	<i>2014</i>
<i>Turnover</i>	<i>£746,758</i>	<i>£713,777</i>
<i>Surplus</i>	<i>£4,021</i>	<i>£7,290</i>
<i>Funds at 31 March 2015</i>	<i>£163,712</i>	<i>£117,908</i>
<i>Funds after 2016 commitment for cinema improvements (projector, seating, flooring)</i>	<i>£66,101</i>	

Those numbers show a very healthy level of reserves. Over the years, it has been our policy to put aside money to reserves to fund infrastructure repair and development. The wisdom of this is demonstrated by the fact that we are now faced with three business critical needs requiring significant capital expenditure – replacement of the second cinema digital projector (the first was replaced a couple of years ago) at a cost of more than £40,000, cinema seats which are no longer fit for purpose at a cost of around £65,000 and replacement of the 20 year old central control unit of the air handling system at a similar cost which is intended to be completed before the pantomime season begins. The new projector is already in operation with a stunning improvement in picture quality, an improvement in reliability and a big improvement in operational flexibility changing films between the two screens. The new cinema seats are on order and we intend them to be installed early in 2016 but there is still a chance for you to make a donation to help us to pay for this important enhancement to the Stag's facilities.

The cost of these items will be charged against the carefully accumulated Project and Projector Replacement Reserves. However for the air handling control unit we are looking for other support and are currently in discussion with the Town Council for the release of funds from its Community Infrastructure Plan, which had included a dedicated allocation of funding for improvements at the Stag. We are confident that we shall be able to set this business critical work in hand before the end of the current financial year.

SCAC is a diverse business with four main revenue streams. The viability has traditionally been underpinned by its revenue from the cinemas which has led to the business-led decision to replace the seats in order to ensure it remains attractive to customers. Closely related to the

**STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)**

**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015**

cinemas is the kiosk revenue which to a large extent tracks the popularity of the films being shown. The introduction of Stag Select with the transmission of live shows from the National Theatre, the RSC plus a season of Glyndebourne Opera shown on the cinema screen has proved to be extremely popular with the people of Sevenoaks and beyond.

The main auditorium and the Stag Plaza are operated on a hall-hire only basis and much hard work in diversifying the user hiring base is providing greater resilience to the Stag's income. The Stag has proved to be a popular dance venue both with local amateur dance schools but also with the National Youth Ballet for example booking dates in August, when the theatre has traditionally been dark. This year for the first time they also brought their graduate showcase which was a brilliant exposition by future ballet stars. Vienna Festival Ballet continues to book, further emphasising the venue's popularity with a wide range of dance schools and promoters.

The venue saw wrestling for the first time – a further and successful diversification from our traditional audiences and they have booked to return in October 2015. We are also seeing success in our efforts to attract corporate hires, further broadening our revenue base.

All hirers get a personal follow up call to obtain feedback as we try to improve their experience. We are not perfect yet, but the feedback obtained helps us to improve and often leads to repeat bookings.

We take the word "Community" in our name very seriously – our customers; our hiring companies (local, regional and national) including the thousands who appear on our stages; our advertisers and sponsors and of course the staff and volunteers who make the Stag run so well.

We have a wide range of commercial and local hirer companies, 300,000 visitors a year, 230 volunteers and 20 staff. We provide invaluable work experience for which we have won awards and which also provides an invaluable addition to the CV and UCAS statements of so many young people as well as many Duke of Edinburgh Award placements. The Stag Youth Theatre continues to provide theatrical and film making experience and in partnership with the Lodge we provide an alternative café and the very presence of those 300,000 visitors to Sevenoaks spills over into the economy of the town as a whole.

Simon Raikes

**Simon Raikes
Chairman of Trustees**

30 September 2015

**STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2015**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Stag Community Arts Centre (the Charity/the Stag) for the year ended 31 March 2015. The Trustees confirm that the Annual report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Stag Community Arts Centre is a registered UK charity (No. 1137420) and a company (No.7090305) limited by guarantee. Our registered office is:

Stag Community Arts Centre
London Road
Sevenoaks
Kent
TN13 1ZZ

Charity Objectives

The Stag continues to operate as a receiving house and as a hire-only facility in the performance spaces. It continues to use volunteers extensively.

The principal objects of the Charity, as set out in the Memorandum and Articles of Association are:

- (1) to advance education for the public benefit in the appreciation and practice of the arts, including the arts of drama, film, dance, singing and music, in particular but not exclusively through the provision and production of theatre plays and educational and art based films and associated participation and educational activities; and

- (2) such charitable purposes for the benefit of the inhabitants of Sevenoaks and the surrounding area as are charitable according to the laws of England and Wales as the Trustees may from time to time determine.

The Stag Community Arts Centre acts in the best interest of the local community by:

- i) Assisting the sustainability of the local economy of the town, particularly the night time economy and the tourism economy;

- ii) Retaining a valuable social and leisure facility for both performers and audiences;

- iii) Working to try and enable the development of youth services both in performing arts and Youth Outreach services;

- iv) Retaining an iconic building in the town and preserving the street scene.

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2015

In 2014/15 the Stag has continued its charitable and artistic aims with hundreds of events of all types, providing a focus for local groups, a location for national and touring groups. It continues to be a base for the Sevenoaks Summer Festival bookings for activities at the Stag, across the Town and in the surrounding area. It has continued to support local amateur performing arts groups with significant reductions in hiring rates providing an excellent route to professional theatre services for local community groups. The Stag has continued its diverse offering of shows, events and now business activities. We continue to attract other events successfully diversifying audiences. These include:-

- Monthly comedy club including national and international stars
- Regular music shows bringing touring, national and international groups
- Professional and amateur pantomime shows
- Art gallery
- Primary and secondary school theatre, music and dance shows
- Family friendly shows
- Enabling access events - Mencap Drama Group, chaperone training, drugs education
- Under 18 events – including the music and live band nights 'Soundwaves'
- Hosting Sevenoaks Town Council's House in The Basement (HiTB), a free-to-all youth café, since July 2012
- Dance shows and stage schools
- Professional ballet performances
- Youth Theatre including excellent youth performances of West End musicals
- Café open 6 days per week
- Training events
- Conferences
- Regional events
- Promotional events

SYT (Stag Youth Theatre) and our Youth Outreach provision is now well established. Unfortunately the Stag no longer receives any identified grant money to support the activities previously run at the Stag. The Charity is keen to build on the successes built with the grants and continues to provide from its own revenues reduced pricing for local state school performances and some limited support for local youth groups.

The cinema continues to show first run films on their date of national release alongside the newly developed Stag Select live transmission, Parent & Baby Club plus a variety of private hire and community users.

External donors, grant bodies and the Friends of Stag continue to provide financial and benefit in kind support.

A local entrepreneur continues operating the café facilities and adds to the vibrancy of the Stag during the day which continues into event evenings when the bar is manned by volunteers.

The Trustees once again thank the large group of volunteers without whom the Stag could not operate. They give their time and also enthusiasm and cheer which not only makes the Stag tick but provides the buzz people enjoy so much at the Stag whether customer or hirer. The small group of staff works alongside the volunteers and provide commitment, dedication and passion and regularly receive plaudits

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2015

from customers and hirers. Staff and volunteers are two sides of the same coin providing the individual service to customers and hirers.

Achievements this year and aims for the future

As a charity all infrastructure and equipment investment depends upon the availability of funds either generated within the business or from external grant funding. Developments will be carried out as funds are available.

Theatre

In a difficult financial year the Stag has shown its place is firm with the people of Sevenoaks maintaining the same number of tickets sold as last year but allowing hiring companies to increase their ticket income by nearly 4%. The theatre auditorium has been used for 197 days. Shows have covered all types from drama, pantomime with television stars Ryan Moloney, Leslie Grantham and Brian Capron and comedy to musical theatre including ballet and classical symphonic music from Sevenoaks' own orchestra. Plus choral music, rock, prog rock, folk and blues. Local groups have successfully introduced gala evenings using their long back catalogues on one-night special concerts. Magic Beans continues to break the Stag's box office records with its pantomime; with Sevenoaks Entertainers also providing their own excellent pantomime and this year a magnificent 'The Producers'. Bullfrog Youth once again produced a magnificent performance of Bugsy Malone worthy of any professional stage. The Stag's comedy club Outside The Box continues to attract national and international stars as well as up and coming new comics with strong audiences.

The Stag was able to continue its capital investment in the theatre and its equipment by refurbishing the lighting units and bars, wiring, cueing and dressing room relay systems. We also replaced the 20 year old auditorium lights with flexible LED lighting thanks to a grant from the Cory Environmental Trust of Britain.

A welcome donation from the Friends of Stag enabled the sound desk to be upgraded with a new digital unit and the Stag was also able to upgrade its speaker system including adding mid-auditorium infill speakers which are being installed.

It continues to show the strength and stability of the Stag's business model that these expensive improvements alongside the normal maintenance of the theatre's equipment was achieved through the Stag's earnings.

Commercial Cinema

The commercial cinema continued to perform exceptionally well providing funding for the wider aims of the Charity. The Stag has become the local cinema of choice providing a wide variety of first run blockbuster, family and other films covering all types. This year the industry provided a series of well received and well attended films with family animated films topping. Sevenoaks people always love seeing films such as The Imitation Game, The Other Woman, The Theory of Everything, Mr Turner, The Hobbit, Hunger Games, and not forgetting the very popular Paddington, Postman Pat and Shaun The Sheep. The Stag Cinema will continue to provide first-run films 7 days per week 52 weeks per year.

Community Cinema

The Charity continued to provide community events in its cinema through the regular and well-received Mother & Baby screenings. The latest films are shown with the lights turned up and the sound turned down providing a safe environment for new mothers to enjoy watching a film without worrying that their

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2015

children cause interruption and upset to other customers. Our Stag Select seasons are proving very popular with most showings sold out. The upgraded equipment alongside the new projector will allow us greater flexibility to show live transmissions with ease and increased reliability.

Stag Plaza

The Stag Plaza continues to be a popular choice providing excellent low cost value for hirers and customers for all forms of show covering meetings, music and drama. The Stag has provided some grant funding through its District and Town Council local authority grants to drama festivals and local schools as well as financial and facilities support for chaperone training with Kent County Council. Unfortunately the current lack of direct funding means it is very difficult for the Stag to maintain the investment it has made in recent years. The Stag Plaza has also been used for training seminars, community and business meetings and regular craft fairs. We also put on a presentation by Google hosted by the Secretary of State for Defence, Michael Fallon MP and he was also kind enough to open the Town Partnership's Business Fair which with the popular PUP Café sessions made overall more than 285 events last year in the Plaza.

Hirers at the Stag Plaza sold fewer tickets than last year but as with the theatre, overall ticket income for hirers is up. The local MENCAP drama group continue to use it regularly and the House in The Basement's Soundwaves band and music nights enables local young bands to perform there.

Bars, Café & Kiosks

The Stag continues to follow its community ethos by providing refreshments in child and family friendly servings and pricing. The range of refreshments continues to be monitored and enhanced when suitable products are available. Ice cream tubs in various flavours continue to be a popular offering at theatre and cinema shows and are sourced from a local company.

The café in the Stag is run by a local entrepreneur and continues to be a popular town centre destination. The café menu provides a wide range of cakes and snacks as well as a range of healthy salads and hot meals and the Lodge Café now provides a lunchtime sandwich service to local High Street businesses as well as an in-house service to hard-working theatre hiring groups.

The Stag has continued its longstanding commitment to helping young people get on the employment ladder through the Government's work experience scheme. The Stag is proud to have now received three awards for its work in helping young people with work placements which take place not only in retail but throughout the office administration of the Stag.

Theatre and Plaza Suite events continue to be supported by our team of volunteers as well as increasingly with administration and other tasks within the charity. They not only provide support during the evening shows but during matinees, meetings and special events. Without them the Charity could not operate and the Trustees are deeply grateful.

Marketing

The Stag Community Arts Centre produces its What's On guide three times per year distributing it to homes, shops, business and public buildings such as libraries and council offices throughout Kent as well as to homes in Sevenoaks, the surrounding villages and beyond. This is mainly self-funded through advertising. The introduction of eTickets has been a huge success continuing to provide quick and direct access to tickets which do not even have to be printed. They can be shown at the theatre or cinema door on your smart phone or tablet. Our use of social media such as Twitter and facebook produces excellent marketing feedback. We also provide print and design services to hirers and other theatres.

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2015

The Stag has a close relationship with Sevenoaks Town Partnership and hosts an advertising video screen in the foyer as well as an infoPod which provides tourist and business information for visitors. We continue to be part of a marketing forum linking theatres and show venues across the South East which in 2015 meant we had a stand at the Kent County Show. We will continue to strive for greater income from sponsorship, gift-aid, legacies and other sources of charitable donations.

Youth Outreach

The Stag's Youth Outreach programme is primarily provided by Magic Beans with its Stag Youth Theatre and its Film in a Week professional film courses. In the absence of dedicated funding for youth activities, we have continued to provide the Stag's facilities at a generously reduced rate subsidised by the Charity's youth grants. This enables state school productions to have professional facilities for their shows alongside some limited youth production sponsorship.

During this year the Stag Community Arts Centre has:

- Supported drama through SYT (the Stag Youth Theatre) with theatrical productions, and an over-subscribed weekly youth drama development course;
- Hosted a free-to-all youth café, HiTB, run by Sevenoaks Town Council. The Stag has employed young people from HiTB in part-time work;
- Supported professional film making courses where 20-minute feature films created and made by young people are shown at the Stag Community Art Centre's cinemas;
- Provided valuable work experience in retail, customer service, administration and stagecraft for students and local job seekers;
- Provided the opportunity for local young people to volunteer as part of their School's own schemes or as part of the Duke of Edinburgh's volunteer scheme;
- Continued to facilitate the monthly Soundwaves music and live band night for young people to watch and perform live music.

Volunteers

We continue to have the support of nearly 250 individual volunteers and in addition the active support of the Friends of Stag. We send out a weekly newsletter to all volunteers and provide social and information events for them.

The Stag Community Arts Centre could not operate without its volunteers and this year they provided around more than 6,000 hours of volunteering (an increase of 3% on the previous year) which amounts to a value to the Charity of nearly £50,000. The volunteer office has itself provided administrative and office work experience and the Stag now uses volunteers throughout its business in support of its permanent staff.

Fundraising, Sponsorship, Grants and Bequests

Income via fundraising, sponsorship and grants has taken place plus special collections and donations, the use of gift aid and tax effective giving schemes. The Stag no longer uses or allows bucket collections but does have a donation area at the box office.

We also receive donations of goods and equipment from the Friends of Stag and benefit in kind donations from our technical partner NK Audio. The Stag would particularly like to thank Elizabeth Dolding from Warners Solicitors for her unstinting work in supporting the Stag over the last year. We receive significant donations in kind of their time from our numerous volunteers which during this year amounted to the equivalent of paid employees of nearly £50,000. We provide training and experience to young people

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2015

through government schemes such as the Job Centre Plus work experience scheme, and in return this enables the Charity to provide an enhanced service at little or no cost.

We will continue to apply for grant funding wherever it is available to meet the objectives of the Charity and we will continue to source commercial sponsorship whenever possible.

Other income

The Charity continued to receive grant income of £27,000 from Sevenoaks Town Council during the financial year 2014/15 towards general operational costs and £7,500 towards its Youth Outreach programme.

Structure, governance and management

The Governing Document

The Charity is a company limited by guarantee and does not have share capital. The constitution of the Charity is set out in the Memorandum and Articles of Association dated 28 November 2009.

Trustees

A full list of trustees who served during the year is detailed below:-

Simon Raikes (Chairman)
Pam Walshe (Vice Chairman)
Stephen Arnold (Chairman of Personnel)
Cathy Baker (resigned 7 May 2015)
Nicholas Busvine OBE
Marilyn Canet
Graham Clack (resigned 7 May 2015)
Tony Clayton (Vice Chairman of Finance)
Margaret Crabtree (resigned 7 May 2015)
Ann Dawson (Vice Chairman of Personnel) (resigned 7 May 2015)
Roderick Hogarth
Merrill London (resigned 7 May 2015)
Richard Parry
Robert Piper (Chairman of Finance)

Appointment of new Trustees

The Articles of Association allow for the number of Trustees to be between 2 and 16 in number.

- (1) The subscribers to the Memorandum are the first Members of the Charity.
- (2) Membership is open to any person who is a Town Councillor of Sevenoaks Town Council who:
 - (a) applies to the Charity in the form required by the Trustees; and
 - (b) is approved by the Trustees.

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2015

- (3) The Trustees may only refuse an application for Membership if, acting reasonably and properly, they consider it to be in the best interests of the Charity to refuse application.
- (4) The Trustees must inform the applicant in writing of the reasons for the refusal within twenty one days of the decision.
- (5) The Trustees must consider any written representations the applicant may make about the decision. The Trustees decision following any written representations must be notified to the applicant in writing but may be final.
- (6) Membership is not transferable to anyone else.

The only members of the Company are the Trustees. Any person appointed as a Trustee automatically becomes a member and ceases to be a member when they cease to be a Trustee. At 31 March 2015 there were fourteen members each of which guarantee to contribute £10 in the event of the Charity ceasing to operate.

Induction and Training of Trustees

New Trustees undergo an individual induction session to brief them on their legal obligations under charity and company law, the content of the Articles of Association (incorporating Memorandum), the Trustee Board and decision making process, the business plan and the recent financial performance of the Charity. During induction they formally meet the executive management team. Trustees are given the opportunity to attend appropriate external training events to help them undertake their role.

The Governance Structure

The Board of Trustees administers the Charity and meets normally on a bi-monthly basis. All issues are considered at the Trustee Board meetings.

A General Manager manages all day to day operations of the Charity under a contract of employment by the Trustees. To facilitate effective operations, the General Manager has delegated authority for all operational matters including artistic programming, finance and employment issues.

Subsidiary

The Stag Community Arts Centre has one wholly owned subsidiary company, Stag Community Arts Centre Trading Limited (Company Number 7614710). The company's principal activity is the provision of commercial recreational facilities in support of the Charity. The subsidiary gift aids its profits to the Charity.

The results of the subsidiary's trading is summarised in Note 2 of the financial statements.

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2015

Related Party Relationships

The Trustees consider the following entities to be related parties of the Charity:

- Sevenoaks Town Council;
- Sevenoaks District Council.

The Stag Community Arts Centre also has a working relationship with the following organisations:

- Friends of Stag
- Kent County Council
- Kent Libraries
- Kent Theatres and Marketing Managers Association
- Magic Beans
- NK Audio
- Sencio Leisure Centre
- Sevenoaks Chamber of Commerce
- Sevenoaks Chronicle and other local media
- Sevenoaks Lions
- Sevenoaks Town Partnership

Risk Management

The Trustees have a comprehensive risk management strategy which comprises:

- i) A regular review at its board meetings of the risks the charity may face;
- ii) The establishment of systems and procedures to mitigate those risks;
- iii) The implementation of procedures designed to minimise any potential impact on the Charity should those risks materialize.

The risk management process is on-going and is regularly reviewed by the Board of Trustees. The Trustees recognise that the Charity operates in an area where reputational and financial risk is inherent in the very nature of its charitable purposes. Consideration is given to the Charity's appetite for such risks and the balance of financial and artistic risk. A key element in the management of financial risk is to continue working towards establishing an appropriate level of reserves in the unrestricted funds of the Charity.

Financial Review

The overall result for the year was a surplus of £4,021 (2014 - £7,290) into the General Reserves with a net contribution of £36,839 (2014 - £23,377) into the Designated Fund for future dilapidation repairs and renewals. A further £4,944 has been donated to the Stag in the year towards specific projects and forms the balance of the Restricted Funds. These funds will enable the Stag Community Arts Centre to continue to consolidate its financial position and to enable future growth.

The Stag Community Arts Centre earned 96% (2014 - 85%) of its income from performance and hire fees, bar and catering income, the Youth Outreach programme and the showing of films in the Cinema. The

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2015

remaining 4% (2014 - 15%) of income was raised through external grants and donations, the majority of which come from its public funder, the Sevenoaks Town Council.

The Charity is working towards building stability in its financial position in order to support the Stag Community Art Centre's aims and objectives and to be able to fund any future costs arising in relation to maintaining the fabric of the historic building and replacing key items of equipment as they wear out.

Reserves Policy

The Trustees have established that the Charity ought to work towards a level of unrestricted general reserves equal to 5% of turnover, which currently equates to £51,342 (2014 - £55,296). Turnover for these purposes is defined as total annual income receivable excluding hirer ticket sales. The unrestricted general reserves balance at the year-end amounts to £14,552 (2014 - £10,531).

In addition, provided unrestricted funds are available, a Designated Fund for dilapidation repairs and renewals is to be accumulated of at least £30,000 per annum. In the year under review a net contribution of £36,839 was made. The Designated Fund currently stands at £144,216 (2014- £107,377), of which £97,611 has been committed to future projects in 2015.

Investments Policy and Powers

The Charity currently holds short term surplus funds with its bankers, National Westminster Bank. Any surplus funds held in excess of one month's average working capital requirements are placed on deposit at a suitable UK based financial institution, depending on the credit rating and prevailing interest rates available.

Going Concern

Accounting standards require the Trustees to consider appropriateness of the going concern basis when preparing the financial statements. The Trustees have taken notice of the Financial Reporting Council guidance which requires the reason for this decision to be explained. The Trustees regard the going concern basis remains appropriate since the Charity has unrestricted funds of £158,768 (2014 - £117,908) at the balance sheet date, cash balances of £269,613 (2014 - £227,468) and no long term borrowings.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Stag Community Arts Centre for the purposes 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 and charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

**STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2015**

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Provision of Information to The Auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditor in connection with preparing its report and to establish that the charitable company's auditor is aware of that information.

Auditor

A resolution to reappoint Crowe Clark Whitehill LLP will be proposed at the Annual General Meeting in accordance with section 485 of the Companies Act 2006.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 30 September 2015 and signed on their behalf, by:

Simon Raikes, Chairman

**STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE STAG COMMUNITY ARTS CENTRE**

We have audited the financial statements of Stag Community Arts Centre for the year ended 31 March 2015 set out on pages 16 to 28. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustee's report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2015 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

**STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE STAG COMMUNITY ARTS CENTRE (CONTINUED)**

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Trustees' report.

Ian Weekes (Senior statutory auditor)
for and on behalf of

Crowe Clark Whitehill LLP

Chartered Accountants
Statutory Auditor

10 Palace Avenue
Maidstone
Kent
ME15 6NF

Date: 29 October 2015

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2015
INCOME AND EXPENDITURE ACCOUNT

	Note	Restricted Funds 2015 £	Unrestricted Funds Designated 2015 £	General 2015 £	Total Funds 2015 £	Total Funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	3	12,444	-	29,663	42,107	168,867
Activities for generating funds -						
Trading operations	4	-	6,177	740,581	746,758	713,777
Investment income	6	-	-	256	256	102
Incoming resources from charitable activities	5	-	-	237,719	237,719	223,173
TOTAL INCOMING RESOURCES		12,444	6,177	1,008,219	1,026,840	1,105,919
RESOURCES EXPENDED						
Costs of generating funds:						
Trading operations		-	-	695,842	695,842	677,331
Charitable activities	8	12,812	2,338	259,388	274,538	387,718
Governance costs	10	-	-	10,656	10,656	10,203
TOTAL RESOURCES EXPENDED	7	12,812	2,338	965,886	981,036	1,075,252
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		(368)	3,839	42,333	45,804	30,667
Transfers between Funds	17	5,312	33,000	(38,312)	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		4,944	36,839	4,021	45,804	30,667
<i>Total Funds at 31 March 2014</i>		-	107,377	10,531	117,908	87,241
TOTAL FUNDS AT 31 MARCH 2015	17	4,944	144,216	14,552	163,712	117,908

The above statement contains all the gains and losses recognised in the current and preceding year.
All operations are continuing.
The notes on pages 19 to 28 form part of these financial statements.

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

REGISTERED NUMBER : 07090305

CONSOLIDATED BALANCE SHEET
31 MARCH 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	13	<u>38,457</u>	45,690
		38,457	45,690
CURRENT ASSETS			
Stocks		7,327	8,728
Debtors	15	56,079	55,775
Cash at bank and in hand		<u>269,613</u>	<u>227,468</u>
		333,019	291,971
CURRENT LIABILITIES			
Creditors: amounts falling due within 1 year	16	(207,764)	(219,753)
NET CURRENT ASSETS		<u>125,255</u>	<u>72,218</u>
NET ASSETS		<u>163,712</u>	<u>117,908</u>
FUNDS			
Restricted Funds	17	4,944	-
Unrestricted Funds	17	<u>158,768</u>	<u>117,908</u>
		163,712	117,908

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf

on 30 September 2015

Simon Raikes
Chairman

The notes on pages 19 to 28 form part of these financial statements.

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

CHARITY BALANCE SHEET
31 MARCH 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	13	38,457	45,690
Investment in subsidiary	14	100	100
		38,557	45,790
CURRENT ASSETS			
Stocks		7,327	8,728
Debtors	15	56,079	55,775
Cash at bank and in hand		269,513	227,462
		332,919	291,965
CURRENT LIABILITIES			
Creditors: amounts falling due within 1 year	16	(207,764)	(219,847)
NET CURRENT ASSETS		125,155	72,118
NET ASSETS		163,712	117,908
FUNDS			
Restricted Funds	17	4,944	-
Unrestricted Funds	17	158,768	117,908
		163,712	117,908

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf

on 30 September 2015

Simon Raikes
Chairman

The notes on pages 19 to 28 form part of these financial statements.

STAG COMMUNITY ARTS CENTRE (A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and have also been consistently applied within the same financial statements.

Accounting standards require the Trustees to consider appropriateness of the going concern basis when preparing the financial statements. The Trustees have taken notice of the Financial Reporting Council guidance which requires the reason for this decision to be explained. The Trustees regard the going concern basis as appropriate since the Charity has unrestricted funds of £158,768 (2014 - £117,908) at the balance sheet date, cash balances of £269,513 (2014 - £227,462) and no long term borrowings.

1.1 Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

In accordance with paragraph 397 of the SORP 2005 the Charity has not presented its Statement of Financial Activities. The excess of income over expenditure of the Charity was £45,804 (2014 – £30,667).

In accordance with SORP 2005 the entity has elected not to prepare a cash flow statement on the grounds that it is not required to do so.

1.2 Basis of Consolidation

The consolidated financial statements include the Charity and its subsidiary, Stag Community Arts Centre Trading Limited. Intra-group sales and income are eliminated on consolidation and all sales and income figures relate to external transactions only. The subsidiary's results and balance sheet have been consolidated on a line by line basis.

1.3 Fixed Assets and Depreciation

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

Venue fittings and equipment:	20% straight line
-------------------------------	-------------------

Assets costing more than £1,000 are capitalised.
The Charity does not have a policy to revalue its assets.

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received.

STAG COMMUNITY ARTS CENTRE (A Company limited by guarantee)

1. ACCOUNTING POLICIES (CONTINUED)

All grants and donations receivable are recognised when the conditions for receipt have been met. Where grants and donations received are performance related or restricted to future accounting periods they are deferred and accounted for as a liability. Donations in kind are recognised at their value to the Charity when they are received.

No amounts are included in the financial statements for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Restricted, Designated and Unrestricted Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.6 Resources Expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs relating to single activities are allocated directly to that activity. Where support costs relate to several activities they are apportioned accordingly. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

1.7 Liabilities

Liabilities are recognised when the charity has an obligation to make payment to a third party.

1.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1. ACCOUNTING POLICIES (CONTINUED)

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2. SUMMARY OF NET TRADING RESULTS OF SUBSIDIARY

The Charity has a wholly owned trading subsidiary that is incorporated in the UK. This subsidiary, Stag Community Arts Centre Trading Limited, runs the Commercial Cinema together with any commercial hire and sale operations within the Stag Community Arts Centre. The company donates its profits via gift aid to the Charity.

	2015 £	2014 £
TURNOVER	746,758	713,777
Cost of sales	(533,679)	(509,544)
GROSS PROFIT	213,079	204,233
Administrative expenses	(160,930)	(167,732)
PROFIT FOR THE FINANCIAL YEAR	52,149	36,501
Donation payable to parent company	(52,149)	(36,501)
RETAINED PROFIT FOR THE FINANCIAL YEAR	-	-

3. VOLUNTARY INCOME

	Restricted Funds 2015 £	Unrestricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
Donations from Trusts, Foundations and Councils	12,444	29,663	42,107	168,867
	12,444	29,663	42,107	168,867

4. INCOME FROM ACTIVITIES FOR GENERATING FUNDS

	Restricted Funds 2015 £	Unrestricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
Performance and Hire	-	155,134	155,134	119,796
Commercial Cinema	-	448,969	448,969	451,237
Bars and Catering	-	120,161	120,161	122,940
Marketing	-	22,494	22,494	19,804
	-	746,758	746,758	713,777

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted Funds	Unrestricted Funds	Total Funds 2015	<i>Total Funds 2014</i>
	£	£	£	£
Performance and Hire	-	144,127	144,127	176,866
Community Cinema	-	41,883	41,883	12,809
Bars and Catering	-	47,008	47,008	27,078
Youth Outreach		4,701	4,701	6,420
	-	237,719	237,719	223,173

6. INVESTMENT INCOME

	Restricted Funds	Unrestricted Funds	Total Funds 2015	<i>Total Funds 2014</i>
	£	£	£	£
Investment income	-	256	256	102
	-	256	256	102

All of the Charity's investment income arises from interest bearing deposit accounts.

7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff £	Depreciation £	Other £	2015 Total £	<i>2014 Total £</i>
Stag Theatre	99,432	19,051	44,500	162,983	244,427
Performance and Hire					
Community Cinema	11,639	-	42,188	53,827	36,082
Youth Outreach	463	-	12,349	12,812	75,058
Bars and Catering	4,166	-	34,555	38,721	27,309
Plaza Suite	1,389	-	6,040	7,429	4,842
Trading operations	250,740	-	443,868	694,608	677,331
	367,829	19,051	583,500	970,380	1,065,049
Governance	-	-	10,656	10,656	10,203
Total resources expended	367,829	19,051	594,156	981,036	1,075,252

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

8. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Restricted Funds £	Unrestricted Funds £	2015 Total Funds £	2014 Total Funds £
Stag Theatre Performance and Hire	-	162,983	162,983	244,427
Community Cinema	-	53,827	53,827	36,082
Youth Outreach	12,812	-	12,812	75,058
Bars and Catering	-	38,721	38,721	27,309
Plaza Suite	-	7,429	7,429	4,842
Trading Operations	-	694,608	694,608	677,331
Total resources expended	12,812	957,568	970,380	1,065,049

SUMMARY BY EXPENDITURE TYPE

	Staff £	Depreciation £	Other £	2015 Total £	2014 Total £
Stag Theatre Performance and Hire	197,938	19,051	65,805	282,794	354,043
Community Cinema	11,639	-	42,188	53,827	36,082
Youth Outreach	463	-	12,349	12,812	75,058
Commercial Cinema	115,062	-	294,862	409,924	409,480
Bars and Catering	8,331	-	114,967	123,298	120,920
Plaza Suite	2,777	-	16,455	19,232	12,804
Marketing	31,619	-	36,874	68,493	56,662
Total resources expended	367,829	19,051	583,500	970,380	1,065,049

9. SUPPORT COSTS

	Stag Theatre Performance and Hire £	Community Cinema £	Youth Outreach £	Bars and Catering £	Plaza Suite £	2015 Total £	2014 Total £
Other staff costs	173	50	11	55	22	311	1,475
Establishment expenses	21,396	18,280	1,478	9,745	3,545	54,444	42,795
Head office	9,483	2,732	607	3,036	1,214	17,072	11,833
Wages and salaries	5,902	11,224	463	4,166	1,389	23,144	22,159
	36,954	32,286	2,559	17,002	6,170	94,971	78,262

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

10. GOVERNANCE COSTS

	Restricted Funds £	Unrestricted Funds £	2015 Total Funds £	2014 Total Funds £
External auditor remuneration	-	10,080	10,080	9,627
Legal and Professional advice	-	-	-	-
Internal auditor remuneration	-	550	550	550
Company secretarial	-	26	26	26
	-	10,656	10,656	10,203

11. NET INCOME / (EXPENDITURE)

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the Charity	19,051	20,477
Loss on disposal of fixed assets: - owned by the Charity	-	-
Hire of plant and machinery	8,400	8,400
Auditors' remuneration		
- Audit fees for current year	7,395	7,000
- Audit fees for previous year	(190)	(173)
- Audit fees for subsidiary undertaking	2,875	2,800
- Other assurance and advisory work	-	-

During the period, no Trustees received any remuneration.

During the period, no Trustees received any benefits in kind.

During the period, no Trustees received any reimbursement of expenses.

12. EMPLOYEES

	2015 £	2014 £
Wages & salaries	348,821	318,417
Social security	19,008	19,513
	367,829	337,930
	2015 No	2014 No
Operations	29	26
Support governance	3	3
	32	29

No employee earned more than £60,000 during the current or preceding year.

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

13. TANGIBLE FIXED ASSETS

CONSOLIDATED

	Venue Fittings Equipment £
Cost of valuation:-	
1 April 2014	105,312
Additions	11,818
Disposals	-
31 March 2015	117,130
Depreciation:-	
1 April 2014	(59,622)
Charge for the year	(19,051)
Eliminated on disposal	-
31 March 2015	(78,673)
Net book value:-	
31 March 2015	38,457
<i>31 March 2014</i>	<i>45,690</i>

CHARITY

	Venue Fittings Equipment £
Cost of valuation:-	
1 April 2014	105,312
Additions	11,818
Disposals	-
31 March 2015	117,130
Depreciation:-	
1 April 2014	(59,622)
Charge for the year	(19,051)
Eliminated on disposal	-
31 March 2015	(78,673)
Net book value:-	
31 March 2015	38,457
<i>31 March 2014</i>	<i>45,690</i>

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

14. FIXED ASSET INVESTMENTS

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Investment in subsidiary	-	-	100	100
	-	-	100	100

Investments in subsidiaries	Class of Shares	% of Shares	Aggregate of share capital & reserves 31 March 2015
Stag Community Arts Centre Trading Limited	Ordinary	100%	£100

The subsidiary operates within the Stag Community Arts Centre and runs the Commercial Cinema together with any commercial hire and sale operations within the facility. All profits are gift aided to the Charity at the year end.

15. DEBTORS

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Trade debtors	4,902	12,459	4,902	12,459
Other debtors	51,177	43,316	51,177	43,316
	56,079	55,775	56,079	55,775

16. CREDITORS: AMOUNTS FALLING DUE WITHIN 1 YEAR

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Trade creditors	57,906	63,273	57,906	63,273
Other taxation & social security	20,664	20,510	20,664	20,510
Intercompany creditor	-	-	-	94
Other creditors	55,949	73,363	55,949	73,363
Accruals and deferred income	73,245	62,607	73,245	62,607
	207,764	219,753	207,764	219,847

Included within Other creditors is £600 (2014 - £600) relating to the 'Sponsor a Seat' fund relating to donations from patrons for the acquisition of new seating for the cinema. These amounts are due back to the patrons should insufficient funds be generated to make the acquisition worthwhile.

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

17. ANALYSIS OF FUNDS

	Dilapidations Fund	General Fund	Restricted Funds	Total Funds 2015	<i>Total Funds 2014</i>
	£	£	£	£	£
1 April 2014	107,377	10,531	-	117,908	87,241
Income	6,177	1,008,219	12,444	1,026,840	1,105,919
Expenditure	(2,338)	(965,886)	(12,812)	(981,036)	(1,075,252)
Transfers	33,000	(38,312)	5,312	-	-
31 March 2015	<u>144,216</u>	<u>14,552</u>	<u>4,944</u>	<u>163,712</u>	<u>117,908</u>

Transfers between Unrestricted and Restricted Funds are to reduce the deficit on Restricted Funds to £nil as permitted by the SORP 2005.

Transfers to the Dilapidations Fund are in accordance with the Charity's reserves policy.

Future commitments out of the Dilapidations Fund

Over the next 12 months the long awaited refurbishment of the cinema is due to take place. The refurbishment will involve replacing the cinema seating, carpeting and one of the cinema projectors. The funds committed out of the Dilapidations Fund to enable the refurbishment to go ahead amounts to £97,611.

Restricted Funds

Restricted Funds for the year can be further analysed as follows:-

	At 1 April 2014	Incoming	Outgoing	Transfers in from General Funds	At 31 March 2015
	£	£	£	£	£
Youth Outreach	-	7,500	(12,812)	5,312	-
Fixed Asset Donations	-	4,944	-	-	4,944
	<u>-</u>	<u>12,444</u>	<u>(12,812)</u>	<u>5,312</u>	<u>4,944</u>

Youth Outreach Programme

Income to assist funding the Youth Outreach programme is received from Sevenoaks Town Council, the balance of which continues to be funded by the Charity itself.

Fixed Asset Donations

On occasion, the Charity receives donations from Friends of Stag and other third parties to be used to purchase specific fixed assets. The funds donated are retained within Restricted Funds until utilised.

STAG COMMUNITY ARTS CENTRE
(A Company limited by guarantee)

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

CONSOLIDATED	Restricted funds	Unrestricted Funds	Total funds 2015	Total funds 2014
	£	£	£	£
Tangible fixed assets	-	38,457	38,457	45,690
Current assets	4,944	328,075	333,019	291,971
Current liabilities	-	(207,764)	(207,764)	(219,753)
	4,944	158,768	163,712	117,908
<hr/>				
CHARITY	Restricted funds	Unrestricted Funds	Total funds 2015	Total funds 2014
	£	£	£	£
Tangible fixed assets	-	38,557	38,557	45,790
Current assets	4,944	327,975	332,919	291,965
Current liabilities	-	(207,764)	(207,764)	(219,847)
	4,944	158,768	163,712	117,908

19. OPERATING LEASE COMMITMENTS

The Charity operates the Stag Theatre via an agreement with Sevenoaks Town Council and Sevenoaks District Council. There is an annual peppercorn rent of £1.

20. RELATED PARTY TRANSACTIONS

The Trustees of the Charity are all Town Councillors of Sevenoaks Town Council. During the year Sevenoaks Town Council granted £27,000 (2014 - £27,000) to the Charity towards general operational costs and £7,500 (2014 - £2,500) towards the Youth Outreach programme. In addition, donations in kind received from Sevenoaks Town Council towards the annual rent of the Stag Theatre has been reasonably estimated at £1,000 (2014 - £1,000).

21. AGENCY ARRANGEMENTS

The Charity's wholly owned subsidiary, Stag Community Arts Centre Trading Limited is responsible for the operation of the Commercial Cinema together with any other commercial activity undertaken at the Stag Community Arts Centre.

The Charity collects the revenue on behalf of its subsidiary and incurs some of the costs associated with the running of the commercial operation. A contribution is made by the subsidiary to cover the costs incurred and gift aids its taxable profits to the Charity.

The Stag Community Arts Centre also acts as an agent for all performances that take place in the Theatre and Plaza Suite. The Stag Community Arts Centre charges the performer a hire fee for the use of the Theatre and Plaza Suite and collects the ticket sales for the performances on behalf of the performer. All amounts due to the performer are paid, following the completion of the performance.