

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

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 MARCH 2012**

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**STAG COMMUNITY ARTS CENTRE**  
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**General information**

**Trustees**

Simon Raikes, Chairman  
Pam Walshe, Vice Chairman

Stephen Arnold  
Cathy Baker  
Marilyn Canet  
Graham Clack  
Tony Clayton  
Margaret Crabtree  
Ann Dawson  
Roderick Hogarth  
Merrill London  
Richard Parry  
Robert Piper

**Company registered number**

07090305

**Charity registered number**

1137420

**Registered office**

Sevenoaks Town Council Offices  
Bradbourne Vale Road  
Sevenoaks  
Kent  
TN13 3QG

**Principal operating office**

London Road  
Sevenoaks  
Kent  
TN13 1ZZ

**STAG COMMUNITY ARTS CENTRE**  
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**CHAIRMAN'S STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2012**

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As I write this, my first report as Chairman of Trustees, I am struck by the awesome responsibility we as Trustees have taken on in the form of the Stag Community Arts Centre. This would not be possible without the hard work of our professional staff to whom we owe a sincere vote of thanks.

The name is so descriptive of what we are trying to achieve.

We would not be here if it were not for the strong support of the **Community**, manifested in the shape of the 200+ volunteers who help in so many ways to support the permanent staff to ensure that the theatre is always able to function and offers a warm welcome; in the shape of the community groups who put on a wide variety of entertainment; and in the shape of the 250,000 patrons a year who come to support the entertainment. With the Olympics and Paralympics this year, there is inevitably a strong focus on physical activity, and Sevenoaks is fortunate to have many outlets for those with sporting aspirations. However I strongly believe that in operating the Stag we are providing vital alternative leisure facilities for those of a less sporting inclination.

The **Arts** are what the Stag is all about; bands, orchestras, plays, opera, musicals, choirs, ballet, dance shows, stand-up comedy, pantomime, cinema, paintings, youth theatre, youth outreach – you name it, we are at the centre of it. We are particularly proud of the youth work being done on our behalf by Jamie Alexander Wilson and Magic Beans Productions. Anyone who has seen the Stag Youth Theatre performances of Shakespeare over the past year can be in no doubt of the value of the development and educational work being done, which also extends to a tour of more than fifty local schools in the district each autumn performing the History of Pantomime. In addition this year Magic Beans did a similar production called the History of the Olympics at the request of Sevenoaks District Council. This again involved visiting more than fifty local schools to help increase understanding of the Olympics. Our professional pantomime goes from strength to strength, last Christmas beating all records with nearly 15,000 tickets sold and early indications are that this Christmas will be even busier and we are proud that through Panto Factor our stage has provided the launch pad for a number of young theatrical careers. The main auditorium may be small compared to some, but it is a testament to its standing in the Arts community that the Pantomime is able to attract high profile names.

We are in the **Centre** of the Town and the building has, since the beginning of July 2012, housed the House in the Basement Youth Café. This is in addition to the cinemas, the Tourist Information Centre and the Lodge Café. We are truly a focus for people in the centre of the Town, with all the ancillary benefits that brings to the local businesses. Through our volunteers, the Friends of Stag and the community groups who use the facilities that we offer, through the Youth Theatre and the Youth Café we have become a **Centre** for people from different backgrounds and locations to meet and socialise.

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**CHAIRMAN'S STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2012**

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The year under report has been the final year of Linda Larter's secondment from Sevenoaks Town Council. Thanks to her experience and enthusiasm Stag Community Arts Centre has quickly become a great success. I have already mentioned the 250,000 patrons a year, and the 200+ volunteers, but we have also reached another landmark with over 200,000 cinema patrons since we re-opened. They get to see new releases and try the pick'n'mix and popcorn. And this takes no account of the thousands of people, young and old, learning new skills, and developing their existing skills to perform on stage. For them an appearance on the Stag stage is the culmination of weeks or perhaps months of work. However after our early successes Linda has returned to her role as Sevenoaks Town Clerk, and we have recruited Andrew Eyre to replace her as we move to consolidate and build on that early success.

We have some challenging times ahead of us. The likely loss of the Sevenoaks District Council grant at the end of 2013 along with keeping facilities in an old building up to scratch means we will continue to rely heavily on the support of the local community. But I am confident that with that support, and with the creativity and dedication of our professional staff we will succeed in keeping the **Community** enjoying the **Arts** at the **Centre** of the Town for the benefit of the whole community.

We have some challenging times ahead of us. The likely loss of the Sevenoaks District Council grant at the end of 2013 along with keeping facilities in an old building up to scratch means we will continue to rely heavily on the support of the local community. Our hugely successful youth outreach work for young people throughout the District is under threat unless we can find continued funding or sponsorship. Our continuing strength remains our fundamental business plan which aims commercially to break even. Community support continues to be central to the Stag's success and I am confident with that support and with the creativity and dedication of our professional staff we will succeed in keeping the **Community** enjoying the **Arts** at the **Centre** of the Town for the benefit of the whole community.

**Simon Raikes**

**Chairman of Trustees**

**17 September 2012**

**STAG COMMUNITY ARTS CENTRE  
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**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2012**

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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) for the year ended 31 March 2012. 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:

Sevenoaks Town Council Offices  
Bradbourne Vale Road  
Sevenoaks  
Kent  
TN13 3QG

**Charity Objectives**

Following the Stag Community Arts Centre's re-opening in January 2009, the publically announced intent to set up as a charity has been realised. 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) Enabling 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.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2012**

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In 2011/12 the Stag has continued with traditional events, enabling a central location for Sevenoaks Summer Festival events and a central point for ticket sales boosting both them and the fortunes of local groups. It has continued to support local amateur performing arts groups and has also continued to attract other events with the aim of 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
- Enabling access events i.e. Mencap Drama Group
- Under 18 events – including the music and live band nights 'Soundwaves'
- A free-to-all youth café developed and opened in July 2012
- Dance shows
- Professional ballet performances
- Youth Theatre including excellent youth performances of Shakespeare and West End musicals
- Café
- Business Networking
- Conferences
- Regional events
- Promotional events

SYT (Stag Youth Theatre) and our Youth Outreach provision is now well established using the Charity's youth grants and the Charity is looking to build on these successes whilst grant and sponsorship income continues. More than 150 schools have been involved with more than 25,000 young participants.

The Cinema continues to show first run films on their date of national release alongside the Classic Film Club, Parent & Baby Club, the Stag Little Saturdays Club for children and a variety of community uses.

The Friends of Stag continues to provide financial support and this year funded the installation of motorised front tabs for the main stage.

A local entrepreneur continues operating the café facilities and this continues to be a busy vibrant area during the day time. In the evening the area is re-designated as the theatre bar for events and manned by volunteers.

Facts and figures up to 31st March 2012

- **379,873 tickets sold**
- **11,217 events**
- **Youth Outreach: 153 interactive school events this year**
- **Youth Outreach: 25,760 young people attended this year**
- **200 volunteers**
- **Active Friends of Stag support**
- **18,500 volunteer hours**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2012**

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The Trustees wish principally to thank the large group of volunteers without whom the Stag could not operate with the success it has so far done. Their commitment is not only that of time but that of enthusiasm and dedication to making the Centre a better place for customers and hirers. Alongside the volunteers are the small band of staff which continues to work with dedication and passion and regularly receive plaudits 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***

There have been 553 performance events in the main theatre with 202,303 tickets sold since 2009. Shows have covered all genres from drama to musical theatre including classical symphonic music from Sevenoaks' own orchestra plus choral music, rock music, folk music and big bands. Our professional pantomime from Magic Beans Productions goes from strength to strength and will expand its run by a week in 2012. The British Theatre Guide called it a '*golden production*' and '*one of the richest and most vibrant productions in Pantoland*'. Local musical theatre specialists Sevenoaks Entertainers also provide their own excellent pantomime show. Our comedy club continues to attract national and international stars as well as up and coming new comics with strong audiences.

We continue to invest in stage and lighting equipment when funds are available and intend to move towards more environmentally friendly LED lighting. A grant from Friends of Stag has meant the front tabs are now motorised. We have also received a grant of £50,000 towards the cost of replacement seating in the main theatre from the Cory Environmental Trust in Britain.

***Commercial Cinema***

The commercial cinema continues to operate successfully providing a wide variety of first run blockbuster, family and other films covering all genres. Audience response for the British film 'A King's Speech' kept it showing for week after week with nearly 10,000 people coming to see it at our cinema. Overall 195,056 cinema tickets have been sold this year.

The investment in the most advanced 3D technology has proved to be a financial and critical success with much positive feedback from customers. So far, 35 of the 269 films shown have been projected in 3D, with 14 of those shown exclusively in 3D.

When funding allows, we will continue to try and expand services looking towards the possibility of live event satellite feed for opera, theatre and sports events.



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**TRUSTEES' REPORT (CONTINUED)  
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***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 children cause interruption and upset to other customers.

We have started showing classic films for children on Saturday morning harking back to the yesteryear when so many people first started watching and enjoying films. We have also continued to show screen classics providing the opportunity for people to see excellent films again alongside the latest releases.

***Plaza Suite***

The Plaza Suite continues to be a popular choice for smaller shows covering music and drama of all genres. 15,800 tickets have been sold to 768 events and its availability for different sessions throughout each day mean it is also used for training seminars, community and business meetings, local art shows and craft fairs. The local MENCAP drama group uses it regularly and the Charity's youth outreach grant funding enables the local young bands to perform there at the Soundwaves band nights.

The Plaza Suite was re-decorated this year and when funding allows, there are plans to refurbish the wonderful art-deco inspired wooden floor returning it to its original glory. In addition, a small portable sound system was purchased in the year to provide 'easy to use' amplification when the full power of the main sound system is not required.

***Bars, Café & Kiosks***

Following a review of the risk factors involved in handling and controlling perishable stock, a computerised and stock control till system has now been installed in the bars, the Plaza Suite and the kiosks. This makes operation and training for staff and volunteers easier as well as providing full stock monitoring.

The Stag continues to follow its community ethos by providing refreshments in child and family friendly servings and pricing. The range of refreshments continue 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 is run by a local entrepreneur and continues to be a popular town centre destination. The café menu has been enhanced to provide a wider range of cakes and snacks as well as a range of healthy salads and hot meals.

Throughout the year, the Stag has assisted the local JobcentrePlus by providing work experience to a number of unemployed people in areas of retail, customer service and administration. This was made possible via the government funded Future Jobs Fund and more recently via various extended work experience schemes. We are exceptionally pleased to report that the experience and confidence nurtured through their placement with us has enabled many of them to go on to full-time employment. The Charity has itself employed two of those placed.

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**TRUSTEES' REPORT (CONTINUED)**  
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Theatre and Plaza Suite events continue to be supported by our team of volunteers. They not only provide support during the evening shows but during matinees, meetings and special events. Without them the Charity could not operate.

Training continues to be provided for our volunteers and staff in food handling and in Personal License courses.

***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. This is self-funding through advertising. When funding allows we aim to develop e-ticketing to enhance the on-line service to our customers. We have developed a valuable customer database of more than 18,000 active theatre and cinema going users throughout the South East. This has enabled the development of a bespoke marketing service which the majority of our promoters use. We have actively embraced the world of social media with twitter and facebook presence and interaction. We also provide print and design services to hirers and other theatres.

We are developing close links with Sevenoaks Town Partnership to provide information about events throughout Sevenoaks to locations across Sevenoaks such as Knole House, the rail station and the bus station as well as at the Stag Community Arts Centre.

We continue to be part of a marketing forum linking theatres and show venues across the South East and most importantly 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 Productions. We aim to continue to provide the Stag's facilities at a generously reduced rate subsidised by the Charity's youth grants to enable school productions to have professional facilities for their shows. This will be an increasingly difficult task as the Charity's youth grant funding is reduced and lost at the end of 2013.

During this year the Stag Community Arts Centre has:

- Supported drama through SYT (the Stag Youth Theatre) with theatrical productions, multi-media events and an over-subscribed weekly youth drama development course.
- Provided Youth Outreach to schools throughout the area as part of the History of Pantomime and History of Olympia programmes as part of its youth grants.
- Assisted in the development of a free-to-all youth café presence in association with Sevenoaks Town Council which opened in July 2012.
- 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.
- Through the use of the Charity's youth grants and alongside Sevenoaks Town Council, allowed around 460 local school children to create an innovative parade as part of Sevenoaks' Christmas lights celebration.

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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2012**

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- Provided visits under its Youth Outreach to 153 schools.
- Provided a weekly children's story-teller.
- 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 support 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 around 200 individual volunteers including those members of the Friends of Stag. We send out a weekly newsletter to all volunteers and provide social and informational events for them.

The Stag Community Arts Centre could not operate without its volunteers and this year they provided more than 6,500 hours of volunteering which amounts to a value to the Charity of more than £40,000. A local hotel, the Royal Oak, provided a free entry monthly prize draw where lucky volunteers were able to receive a prize of a free Sunday lunch.

A partnership with Sevenoaks School led to 3 VSU volunteers organising a book selling stall for Duke of Edinburgh volunteers to man and run in aid of the Charity during the year. The volunteer office has itself provided administrative and office work experience for four people during this year.

Joint training between staff and volunteers has taken place most recently with the new computerised tills. The Charity has improved the reception, welcome and induction for new volunteers. Volunteer roles now cover all areas of the Stag Community Arts Centre including administration, technical backstage work, maintenance as well as customer service and front of house activities for events. The volunteer roles now have updated job specifications and detailed written procedures.

***Fundraising, Sponsorship and Grants***

Income via fundraising, sponsorship and grants has taken place in various forms including special charity events, the use of gift aid and tax effective giving schemes and bucket collections. We also receive donations of goods and equipment from the Friends of Stag and will continue to support their fundraising initiatives.

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 more than £40,000.

We provide training and experience to young people through government schemes such as the Future Job Fund and Jobcentreplus work experience schemes and in return this enables an enhanced service for the Charity at little or no cost.

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**TRUSTEES' REPORT (CONTINUED)  
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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 continues to receive grant income from Sevenoaks District Council. This represents £50,000 p.a. for operational costs and £50,000 p.a. to provide a Youth Outreach programme throughout Sevenoaks District which has been extremely successful. The Charity also received a grant from Sevenoaks Town Council this year of £27,000 towards general costs. This is being reduced to £22,000 for 2012/13. The current tranche of District Council funding will end in December 2013.

The Charity also receives rent from Sevenoaks Town Council for locating the town's Tourist Information Centre in the building and also rent for the Lodge Café which operates on six days per week.

**Structure, governance and management**

The Governing Document

The Charity is a company limited by guarantee and does not have a 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 (appointed as Chairman 24 January 2012)  
Pam Walshe (Vice Chairman)  
Andrew Eyre (Resigned as Trustee and Chairman 24 January 2012)  
Stephen Arnold (appointed 20 July 2011 and Chairman of Personnel 15 October 2011)  
Cathy Baker (appointed 20 July 2011)  
Marilyn Canet  
Graham Clack (appointed 20 July 2011)  
Tony Clayton (Vice Chairman of Finance)  
Margaret Crabtree (resigned as Chairman of Personnel 15 October 2011)  
Ann Dawson (Vice Chairman of Personnel)  
Roderick Hogarth  
Merrill London (appointed 20 June 2011)  
Richard Parry  
Robert Piper (Chairman of Finance)  
Maurice Short (appointed 20 July 2011, resigned 14 May 2012)

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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2012**

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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.
- (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<sup>st</sup> March 2012 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.

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**TRUSTEES' REPORT (CONTINUED)  
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The Governance Structure

The Board of Trustees administers the Charity, meeting normally on a monthly basis. There is also a Personnel Committee that meets approximately three times a year.

The Personnel Committee consists of the following Trustees:-

Stephen Arnold (Chairman)  
Ann Dawson (Vice Chairman)  
Simon Raikes  
Tony Clayton  
Richard Parry  
Robert Piper  
Pam Walshe

The Trustees continue to develop a performance management plan with relevant performance indicators. A General Manager has been appointed, under a contract of employment, by the Trustees to manage the day to day operations of the Charity. To facilitate effective operations, the General Manager has delegated authority for operational matters including artistic programming, finance and employment issues.

In addition, quarterly meetings take place with Sevenoaks District Council, the Charity's landlord, and a presentation made to the Council's Social Affairs oversight committee on its activities.

Subsidiary

The Stag Community Arts Centre has one wholly owned subsidiary company, Stag Community Arts Centre Trading Limited (Company Number 7614710), which was incorporated on 26 April 2011 and commenced trading on 1 May 2011. The company's principal activity is the provision of commercial recreational facilities in support of the Charity. The subsidiary gift aids its taxable profits to the Charity.

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

Related Party Relationships

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

- Sevenoaks Town Council;
- Sevenoaks District Council.

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**TRUSTEES' REPORT (CONTINUED)  
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The Stag Community Arts Centre also has a working relationship with the following organisations:

- Kent County Council
- Magic Beans Productions
- Sevenoaks Chronicle and other local media
- The Friends of Stag
- Sevenoaks Chamber of Commerce
- Kent Libraries
- Sencio Leisure Centre
- SCAT
- Sevenoaks Town Partnership
- Chequer Mead Arts Centre
- Kent Theatres

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 materialise.

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 under review amounted to a deficit of £1,511, which although disappointing, reflects the level of resources invested in the Stag Community Arts Centre this year to consolidate its position and to enable future growth.

The Stag Community Arts Centre earned 86% (2011 - 75%) 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

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remaining 14% (2011 - 25%) of income was raised through external grants and donations, the majority of which come from its two public funders which are Sevenoaks District Council and 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 reserves equal to 5% of turnover, which currently equates to £49,890 (2011 - £35,000). Turnover for these purposes is defined as total annual income receivable excluding hirer ticket sales.

In addition, provided unrestricted funds are available, a Capital Fund is to be accumulated of at least £30,000 per annum. In the year under review unrestricted funds were not available and the Capital Fund currently stands at £49,000 (2011- £49,000).

**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 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009' 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 £49,381 (2011 - £50,892) at the balance sheet date, cash reserves of £106,834 (2011 - £204,550) 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).



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**TRUSTEES' REPORT (CONTINUED)  
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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:

- 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 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 17 September 2012 and signed on their behalf, by:

**Simon Raikes, Chairman**

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

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We have audited the financial statements of Stag Community Arts Centre for the period ended 31 March 2012 set out on pages 18 to 30. 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 Charity's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;

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

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

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- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**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 in preparing the Trustees' report.

for and on behalf of

**Crowe Clark Whitehill LLP**

Chartered Accountants  
Statutory Auditor  
Jaeger House  
5 Clanricarde Gardens  
Tunbridge Wells  
Kent  
TN1 1PE

8 October 2012

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

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 MARCH 2012**  
**INCOME AND EXPENDITURE ACCOUNT**

	Note	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income	3	53,475	87,454	140,929	91,038
Activities for generating funds -					
Trading operations	4	-	576,568	576,568	-
Investment income	6	-	82	82	31
Incoming resources from charitable activities	5	-	280,229	280,229	290,832
<b>TOTAL INCOMING RESOURCES</b>		<b>53,475</b>	<b>944,333</b>	<b>997,808</b>	<b>381,901</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds:					
Trading operations		-	569,209	569,209	-
Charitable activities	8	53,871	364,513	418,384	325,420
Governance costs	10	-	11,726	11,726	5,589
<b>TOTAL RESOURCES EXPENDED</b>	7	<b>53,871</b>	<b>945,448</b>	<b>999,319</b>	<b>331,009</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>		<b>(396)</b>	<b>(1,115)</b>	<b>(1,511)</b>	<b>50,892</b>
Transfers between Funds	17	396	(396)	-	-
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>-</b>	<b>(1,511)</b>	<b>(1,511)</b>	<b>50,892</b>
<i>Total Funds at 31 March 2011</i>		-	50,892	50,892	-
<b>TOTAL FUNDS AT 31 MARCH 2012</b>		<b>-</b>	<b>49,381</b>	<b>49,381</b>	<b>50,892</b>

The above statement contains all the gains and losses recognised in the current and preceding year. All operations are continuing. The notes on pages 21 to 30 form part of these financial statements.

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

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REGISTERED NUMBER : 07090305

**CONSOLIDATED BALANCE SHEET**  
**31 MARCH 2012**

	Note	2012 £	2011 £
<b>FIXED ASSETS</b>			
Tangible assets	13	<u>64,343</u>	53,792
		<b>64,343</b>	53,792
<b>CURRENT ASSETS</b>			
Stocks		9,003	6,217
Debtors	15	37,248	40,628
Cash at bank and in hand		<u>106,834</u>	204,550
		<b>153,085</b>	251,395
<b>CURRENT LIABILITIES</b>			
Creditors: amounts falling due within 1 year	16	(168,047)	(254,295)
<b>NET CURRENT LIABILITIES</b>		<u>(14,962)</u>	(2,900)
<b>NET ASSETS</b>		<u>49,381</u>	50,892
<b>FUNDS</b>			
Unrestricted Funds		<u>49,381</u>	50,892
		<b>49,381</b>	50,892

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 17 September 2012

**Simon Raikes**  
**Chairman**

The notes on pages 21 to 30 form part of these financial statements.

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

**CHARITY BALANCE SHEET**  
**31 MARCH 2012**

	Note	2012 £	2011 £
<b>FIXED ASSETS</b>			
Tangible assets	13	64,343	53,792
Investment in subsidiary	14	100	-
		<u>64,443</u>	<u>53,792</u>
<b>CURRENT ASSETS</b>			
Stocks		9,003	6,217
Debtors	15	37,248	40,628
Cash at bank and in hand		106,834	204,550
		<u>153,085</u>	<u>251,395</u>
<b>CURRENT LIABILITIES</b>			
Creditors: amounts falling due within 1 year	16	(168,147)	(254,295)
		<u>(15,062)</u>	<u>(2,900)</u>
<b>NET CURRENT LIABILITIES</b>			
		<u>49,381</u>	<u>50,892</u>
<b>NET ASSETS</b>			
		<u>49,381</u>	<u>50,892</u>
<b>FUNDS</b>			
Unrestricted Funds		<u>49,381</u>	<u>50,892</u>
		<u>49,381</u>	<u>50,892</u>

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 17 September 2012

**Simon Raikes**  
**Chairman**

The notes on pages 21 to 30 form part of these financial statements.

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

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## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2012

### 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 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009' 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 £49,381 at the balance sheet date, cash reserves of £106,834 and no long term borrowings.

#### 1.1 Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, 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 £1,511 (2011 - £50,892).

In accordance with SORP 2005 the entity has elected not to prepare a cashflow 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)

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## 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.

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.



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

**1. ACCOUNTING POLICIES (CONTINUED)**

**1.11 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.

	2012 £
<b>TURNOVER</b>	<b>576,568</b>
Cost of sales	<u>(433,644)</u>
<b>GROSS PROFIT</b>	<b>142,924</b>
Administrative expenses	<u>(135,565)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>7,359</b>
Donation payable to parent company	<u>(7,359)</u>
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>	<u><b>-</b></u>

**3. VOLUNTARY INCOME**

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Sevenoaks District Council	50,000	50,000	100,000	50,000
Sevenoaks Town Council	2,575	28,424	30,999	35,950
Donations, Trusts and Foundations	900	9,030	9,930	5,088
	<u>53,475</u>	<u>87,454</u>	<u>140,929</u>	<u>91,038</u>

**4. INCOME FROM ACTIVITIES FOR GENERATING FUNDS**

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Performance and Hire	-	42,008	42,008	-
Commercial Cinema	-	356,332	356,332	-
Bars and Catering	-	153,861	153,861	-
Marketing	-	24,367	24,367	-
	<u>-</u>	<u>576,568</u>	<u>576,568</u>	<u>-</u>

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

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	<i>Total Funds 2011 £</i>
Performance and Hire	-	229,867	229,867	202,561
Community Cinema	-	20,815	20,815	2,126
Bars and Catering	-	5,000	5,000	84,926
Youth Outreach		24,547	24,597	1,219
	-	280,229	280,229	290,832

**6. INVESTMENT INCOME**

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	<i>Total Funds 2011 £</i>
Investment income	-	82	82	31
	-	82	82	31

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

**7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	2012 Staff £	2012 Depreciation £	2012 Other £	2012 Total £	<i>2011 Total £</i>
Stag Theatre	204,476	14,001	127,703	346,180	288,030
Performance and Hire	5,435	-	12,898	18,333	977
Community Cinema	1,575	-	52,296	53,871	36,413
Youth Outreach	121,846	-	447,363	569,209	-
Trading operations	333,332	14,001	640,260	987,593	325,420
Governance	-	-	11,726	11,726	5,589
Total resources expended	333,332	14,001	651,986	999,319	331,009

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

**8. EXPENDITURE BY CHARITABLE ACTIVITY**

**SUMMARY BY FUND TYPE**

	2012 Restricted Funds £	2012 Unrestricted Funds £	2012 Total Funds £	2011 Total Funds £
Stag Theatre Performance and Hire	-	346,180	346,180	288,030
Community Cinema	-	18,333	18,333	977
Youth Outreach	53,871	-	53,871	36,413
Trading Operations	-	569,209	569,209	-
<b>Total resources expended</b>	<b>53,871</b>	<b>933,722</b>	<b>987,593</b>	<b>325,420</b>

**SUMMARY BY EXPENDITURE TYPE**

	2012 Staff £	2012 Depreciation £	2012 Other £	2012 Total £	2011 Total £
Stag Theatre Performance and Hire	204,476	14,001	127,703	346,180	169,807
Community Cinema	5,435	-	12,898	18,333	977
Youth Outreach	1,575	-	52,296	53,871	36,413
Commercial Cinema	100,133	-	255,972	356,105	-
Bars and Catering	4,725	-	117,807	122,532	90,071
Plaza Suite	1,312	-	9,844	11,156	11,040
Marketing	15,676	-	63,740	79,416	17,112
<b>Total resources expended</b>	<b>333,332</b>	<b>14,001</b>	<b>640,260</b>	<b>987,593</b>	<b>325,420</b>

**9. SUPPORT COSTS**

	2012 Stag Theatre performance and hire £	2012 Community Cinema £	2012 Youth Outreach £	2012 Total £	2011 Total £
Other staff costs	1,731	128	385	2,244	12,748
Establishment expenses	29,613	2,194	6,581	38,388	49,824
Head office	17,881	1,324	3,793	22,998	36,478
Wages and salaries	7,087	525	1,575	9,187	15,300
	<b>56,312</b>	<b>4,171</b>	<b>12,334</b>	<b>72,817</b>	<b>114,350</b>

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

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**10. GOVERNANCE COSTS**

	2012 Restricted Funds £	2012 Unrestricted Funds £	2012 Total Funds £	2011 Total Funds £
Auditors remuneration	-	<b>8,900</b>	<b>8,900</b>	5,000
Legal and Professional advice	-	<b>2,826</b>	<b>2,826</b>	589
	-	<b>11,726</b>	<b>11,726</b>	<b>5,589</b>

**11. NET INCOME / (EXPENDITURE)**

This is stated after charging:

	2012 £	2011 £
Depreciation of tangible fixed assets: - owned by the charity	<b>14,001</b>	5,977
Governance Auditors' remuneration	<b><u>8,900</u></b>	<b><u>5,000</u></b>

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**

	2012 £	2011 £
Wages & salaries	<b>311,798</b>	73,766
Social security	<b>21,534</b>	2,708
	<b><u>333,332</u></b>	<b><u>76,474</u></b>
	<b>No</b>	<b>No</b>
Operations	24	23
Support governance	5	4
	<b><u>29</u></b>	<b><u>27</u></b>

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

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

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**13. TANGIBLE FIXED ASSETS**

**CONSOLIDATED**

	Venue Fittings Equipm't £
Cost of valuation:-	
1 April 2011	59,769
Additions	24,552
Disposals	-
<b>31 March 2012</b>	<b>84,321</b>
Depreciation:-	
1 April 2012	(5,977)
Charge for the year	(14,001)
Eliminated on disposal	-
<b>31 March 2012</b>	<b>(19,978)</b>
Net book value:-	
<b>31 March 2012</b>	<b>64,343</b>
<i>31 March 2011</i>	<i>53,792</i>

**CHARITY**

	Venue Fittings Equipm't £
Cost of valuation:-	
1 April 2011	59,769
Additions	24,552
Disposals	-
<b>31 March 2012</b>	<b>84,321</b>
Depreciation:-	
1 April 2012	(5,977)
Charge for the year	(14,001)
Eliminated on disposal	-
<b>31 March 2012</b>	<b>(19,978)</b>
Net book value:-	
<b>31 March 2012</b>	<b>64,343</b>
<i>31 March 2011</i>	<i>53,792</i>

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

**14. FIXED ASSET INVESTMENTS**

	Group		Charity	
	2012 £	2011 £	2012 £	2011 £
Investment in subsidiary	-	-	<b>100</b>	-
	<b>-</b>	<b>-</b>	<b>100</b>	<b>-</b>

Investments in subsidiaries	Class of Shares	% of Shares	Aggregate of share capital & reserves 31 March 2012
Stag Community Arts Centre Trading Limited	<b>Ordinary</b>	<b>100%</b>	<b>£100</b>

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	
	2012 £	2011 £	2012 £	2011 £
Trade debtors	<b>20,779</b>	29,198	<b>20,779</b>	29,198
Intercompany debtors	-	-	-	-
Other debtors	<b>16,469</b>	11,430	<b>16,469</b>	11,430
	<b>37,248</b>	<b>40,628</b>	<b>37,248</b>	<b>40,628</b>

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN 1 YEAR**

	Group		Charity	
	2012 £	2011 £	2012 £	2011 £
Trade creditors	<b>83,786</b>	20,801	<b>83,786</b>	20,801
Other taxation & social security	<b>11,774</b>	19,774	<b>11,774</b>	19,774
Intercompany creditor	-	-	<b>100</b>	-
Other creditors	<b>45,765</b>	177,268	<b>45,765</b>	177,268
Accruals and deferred income	<b>26,722</b>	36,452	<b>26,722</b>	36,452
	<b>168,047</b>	<b>254,295</b>	<b>168,147</b>	<b>254,295</b>

Included within Other creditors is £3,700 (2011 - £3,200) relating to the 'Sponsor a Seat' fund relating to donations from patrons for the acquisition of new seating for the theatre. These amounts are due back to the patrons should insufficient funds be generated to make the acquisition worth while.

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

**17. ANALYSIS OF FUNDS**

	Capital Fund	General Fund	Restricted Funds	Total Funds 2012	Total Funds 2011
	£	£	£	£	£
1 April 2011	49,000	1,892	-	50,892	-
Income	-	944,333	53,475	997,808	381,901
Expenditure	-	(945,448)	(53,871)	(999,319)	(331,009)
Transfers	-	(396)	396	-	-
31 March 2012	<b>49,000</b>	<b>381</b>	<b>-</b>	<b>49,381</b>	<b>50,892</b>

Transfers between unrestricted and restricted funds are to reduce the deficit on restricted funds to £nil as permitted by the SORP 2005

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

CONSOLIDATED	Restricted funds	Unrestricted Funds	Total funds 2012	Total funds 2011
	£	£	£	£
Tangible fixed assets	-	64,343	64,343	53,792
Current assets	-	153,085	153,085	251,395
Current liabilities	-	(168,047)	(168,047)	(254,295)
	<b>-</b>	<b>49,381</b>	<b>49,381</b>	<b>50,892</b>
CHARITY	Restricted funds	Unrestricted Funds	Total funds 2012	Total funds 2011
	£	£	£	£
Tangible fixed assets	-	64,443	64,443	53,792
Current assets	-	153,085	153,085	251,395
Current liabilities	-	(168,147)	(168,147)	(254,295)
	<b>-</b>	<b>49,381</b>	<b>49,381</b>	<b>50,892</b>

**19. OPERATING LEASE COMMITMENTS**

The Charity operates the Stag Theatre under a lease from Sevenoaks District Council. There are no rental payments due under terms of the lease for the first 3 years, following which a rent review will be undertaken and the level of rent assessed against the operating surpluses generated by the Charity.

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

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### **20. RELATED PARTY TRANSACTIONS**

The Trustees of the Charity are all Town Councillors of Sevenoaks Town Council. During the year Sevenoaks Town Council donated £30,999 (2011 - £35,950) to the Charity. Sevenoaks Town Council also provided a non interest bearing loan facility to the Charity to aid its establishment. By the year end the balance of £141,945 had been repaid in full.

During the year the Charity's wholly owned subsidiary, Stag Community Arts Centre Trading Limited took over the operation of the Commercial Cinema from Sevenoaks Town Council.

### **21. AGENCY ARRANGEMENTS**

During the year the Charity's wholly owned subsidiary, Stag Community Arts Centre Trading Limited took over the operation of the Commercial Cinema from Sevenoaks Town Council 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.