

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

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

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**General information**

**Trustees**

Simon Raikes, Chairman  
Pam Walshe, Vice Chairman

Stephen Arnold  
Cathy Baker  
Nicholas Busvine OBE  
Merilyn 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

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**CHAIRMAN'S STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2014**

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When Sevenoaks Town Council took on the 25-year lease of the Stag nearly 6 years ago, it came with an agreement that Sevenoaks District Council would make grants of £100,000 per year for the first 5 years of the lease. Half was towards operating costs and the remaining £50,000 per year was for Youth Outreach work. During this year our grant income towards running costs reduced by £12,500 for the year and youth outreach reduced by a similar amount. The impact of the loss of grant will be somewhat harsher in the coming year, as our income will be reduced by a further £75,000 (£37,500 operating costs, £37,500 youth outreach). However the Stag has planned for the end of the hand over grant and for the year ended 31<sup>st</sup> March 2014 we felt the first impact of its loss. Despite this we have continued to put funds aside for longer term projects and we have also returned a surplus for 2013-14 of £7,290. This follows the Charity's aim of reinvesting into the arts locally and into the Stag Theatre building.

This is the second year that Andrew Eyre has been General Manager. In his first year much of his time was devoted to consolidation with particular emphasis on addressing the cost base. At the same time it became apparent that as the business became more established and successful, there was a need to adapt the organisation structure to ensure that our existing customers were well looked after and wanted to return, but that we also had the right people in place to go out and get the new business essential to ensure the venue's future viability. Even in the best run organisations there will always be the occasional misunderstanding or hiccup. However I think it is a measure of the success of his re-organisation that we are successfully generating new commercial hires as well as getting repeat business. That about 40% of the new business now being seen is coming from referrals or recommendations by existing hirers is an indication that we are moving in the right direction, as well as being a tribute to the overall professionalism of our staff, both technical and front of house. There is more detail in the body of the report. Without doubt the various community groups are finding it harder to get the audiences to make their shows viable and we need to attract more commercial hirers if we are to provide the variety of shows modern day audiences want, particularly in the main auditorium. None of this would be possible without the small army of volunteers who with our employees help to create a welcoming atmosphere that encourages people to return. However it means the nature of the business is evolving in a way that would be almost un-recognisable to people like me who were around when it all started 30 years ago.

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**CHAIRMAN'S STATEMENT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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As ever, the year was underpinned by the income earned by the cinemas and kiosk, with a not insignificant contribution from the Stag Plaza. Without these it is important to remember that the theatre alone would not be commercially viable. This year didn't have the huge blockbuster films which were released last year – no Skyfall, Quartet or Les Miserables this year but I am sure you will remember seeing Frozen and Monsters University with your family. We also showed other excellent big-selling films for film aficionados such as Philomena, The Great Gatsby, 12 Years a Slave and the Grand Budapest Hotel. This meant we managed to maintain cinema sales, which also benefits sales at the kiosk. As you will be aware from previous annual reports, we reinvest all of the money we make in maintaining and improving the facilities so that the Stag continues to be available for the people of Sevenoaks and beyond.

The biggest project for the year was the replacement of the seating in the main auditorium. We were fortunate to receive a substantial grant from Cory Environmental Trust in Britain, along with significant contributions from patrons "buying seats". But that still left a substantial sum to be found out of our own resources. It is a major tribute to Andrew, his staff and the volunteers that notwithstanding the loss of grant and the significant cost of the new seating, the Charity still managed to make its small surplus.

The past year has seen the introduction of Stag Select, taking live satellite feeds from National Theatre, RSC and performances from Glyndebourne to name but a few. A full programme has been developed for the coming year, and is proving very popular. It is an example of how the Stag Community Arts Centre is expanding the range of services offered in response to identified demand while at the same time increasing revenue to ensure the continued viability of the business.

Whilst the current year will be challenging, we have always anticipated the loss of grant and planned accordingly. We are confident that with the increased commercial bookings that we are seeing, the re-organisation that Andrew has undertaken and the new initiatives we will be able to cope with the remaining reduction in grant. Preliminary results this year support this but an unfortunate consequence is the reduction in the amount available to support youth activities in all their different forms. We are grateful to Sevenoaks Town Council which has been able to make a grant however this is far from enough to replace the amount we previously received from the District Council. The money for the large levels of youth outreach support is just not there at the moment but as the business continues to grow we hope to be able to increase our youth support. We are of course always open to offers of financial support should there be any generous sponsors out there.

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**CHAIRMAN'S STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2014**

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The coming year will see further improvements to facilities. The auditorium lighting is being replaced thanks to a further grant from the Cory Environmental Trust in Britain, and a start being planned to upgrade the sound system in the main auditorium which will hopefully be funded by Friends of Stag. These are a direct response to user feedback and we continue to listen to our wider customer base through the Your Stag, Your Forum meetings – I do hope to see you at one of them.

Thanks to an amazing volunteer and the caretaker, there is a steady programme of refurbishment throughout the building - improving the look of the building, the facilities available to customers and hirers and also to our volunteers and staff, and next year we will institute major refurbishment of the technical areas of the theatre.

We have achieved a great deal since Sevenoaks Town Council took over the lease. The business is on a stable financial footing despite the loss of the District Council grant; we have made significant improvements to facilities and are continuing to do so. We have provided local employment, helped to generate business locally through our 300,000 patrons a year, provided a significant boost to the night-time economy of Sevenoaks whilst providing local entertainment for all. Our efforts at supporting youth employment through work experience have been recognised through an award from the Kent Employer Partnership. Our theatrical reputation is spreading to the extent that 40% of new bookings come about through direct approaches from new hirers hearing of the Stag's excellent reputation. None of this would have been possible without the hard work of our staff and growing band of volunteers and supporters to whom the Trustees, Sevenoaks and the surrounding community should offer a resounding vote of thanks.

**Simon Raikes  
Chairman of Trustees**

**09 October 2014**

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**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2014**

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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/the Stag) for the year ended 31 March 2014. 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**

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.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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In 2013/14 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 as the centre for the Sevenoaks Summer Festival, booking for activities across the Town and beyond. 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 through the new Business Development Manager. 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
- Enabling access events i.e. 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 Shakespeare and West End musicals
- Café open 6 days per week
- Toddler café and play equipment open 5 days per week
- Training events
- 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 keen to build on these successes but the loss of grant income from Sevenoaks District Council will significantly reduce this activity.

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



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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**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**

The theatre auditorium has been used for 181 days with more than 66,000 tickets sold to performances this year. Shows have covered all genres from drama, pantomime with Neighbours star Alan Fletcher and comedy to musical theatre including classical symphonic music from Sevenoaks' own orchestra plus choral music, rock music, folk music and big bands. We were proud to host Kentish Opera's 60<sup>th</sup> Anniversary Gala with a huge production of Aida. Magic Beans Productions continues to break the Stag's box office records with its pantomime; with Sevenoaks Entertainers also providing their own excellent pantomime. 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 long awaited project to refurbish the auditorium has been completed and despite the welcome grant income and donations from so many individuals, additional funds were still needed from the Stag's revenue stream to complete the project. It is a good indication of the strength of the Stag's operation that this was done successfully with the Stag still remaining in overall profit. The male toilets in the basement have also been completed funded through internal revenue.

**Commercial Cinema**

The commercial cinema continued to perform 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 them although films such as Philomena, The Great Gatsby and 12 Years A Slave provided award winning drama locally to the people of Sevenoaks. 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 children cause interruption and upset to other customers. We continue to show screen classics providing the opportunity for people to see excellent films again alongside the latest releases.

**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. It continues to host Pop Up and Play a high quality toddler group now operating every weekday where parents can drink coffee eating organic meals whilst watching their children enjoy themselves. 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. However the future for this and the Stag's Youth Outreach programme does look difficult as the grant funding from Sevenoaks District Council is not renewed. 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 our Member of Parliament, Michael Fallon and he was also kind enough to open the Town Partnership's Business Fair making overall more than 125 events in the year.

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**TRUSTEES' REPORT (CONTINUED)**  
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Hirers at the Stag Plaza sold more than 7,000 tickets to commercial events throughout the year, an increase of around 40% on the previous year. The local MENCAP drama group uses 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 and we continue to provide a diabetic option.

The café in the Stag 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 and the Lodge Café now provides a lunchtime sandwich service to local High Street businesses.

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 been given an award by Job Centres in the South East for its work in providing successful 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 self-funded through advertising. The introduction of eTickets has been a huge success reducing queues and delays for customers at the box office. 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.

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 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 with its Stag Youth Theatre and its Film in a Week professional film courses. We aim to try 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. However this may be the last year in which

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**TRUSTEES' REPORT (CONTINUED)**  
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such generous subsidy is possible following the planned loss of the District Council's Youth Grant of £50,000 per year.

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 around 200 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 6,700 hours of volunteering (an increase of 6% on the previous year) which amounts to a value to the Charity of nearly £48,000. 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 in various forms including special charity events, the use of gift aid and tax effective giving schemes and bucket collections.

We were privileged to have Bob Ogley and Margaret Durdant-Hollamby MBE give a talk on the history of the Stag and of this part of Sevenoaks, and the Friends of Stag ran an evening of entertainment in the Stag Plaza.

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 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 from Sevenoaks District Council and from Sevenoaks Town Council in the year. The grant from Sevenoaks District Council ended in December 2013 as planned. This means that only £75,000 has been available to the Stag this year - £37,500 for operational

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costs and £37,500 to provide a Youth Outreach programme throughout the Sevenoaks District. This has again been extremely successful but is now under threat through the lack of grant income. The Charity received a grant from Sevenoaks Town Council of £27,000 towards general operational costs and £2,500 towards the 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  
Nicholas Busvine OBE  
Meryllyn Canet  
Graham Clack  
Tony Clayton (Vice Chairman of Finance)  
Margaret Crabtree  
Ann Dawson (Vice Chairman of Personnel)  
Roderick Hogarth  
Merrill London  
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.
- (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.

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- (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 2014 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 together with the Finance Committee meet normally on a bi-monthly basis. The Finance Committee consists of the following Trustees:-

Robert Piper (Chairman)  
Tony Clayton (Vice Chairman)  
Simon Raikes

There is also a Personnel Committee that meets approximately three times a year and 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.

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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). 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.

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 Productions
- 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 materialized

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.

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**Financial Review**

The overall result for the year was a surplus of £7,290 (2013 – £2,860) into the General Reserves with a net contribution of £23,377 (2013 -£35,000) into the Designated Fund for future dilapidation repairs and renewals. 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 85% (2013 - 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 remaining 15% (2013 - 15%) of income was raised through external grants and donations, the majority of which come from its two public funders, the Sevenoaks District Council and 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 reserves equal to 5% of turnover, which currently equates to £55,296 (2013 - £53,882). Turnover for these purposes is defined as total annual income receivable excluding hirer ticket sales.

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 contribution of £32,728 was made and £9,351 was utilised in updating the theatre auditorium and investing in new 3D technology for the cinema. The Designated Fund currently stands at £107,377 (2013- £84,000).

**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 £117,908 (2013 - £87,241) at the balance sheet date, cash reserves of £227,468 (2013 - £159,320) and no long term borrowings.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

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**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:

- 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 09 October 2014 and signed on their behalf, by:

**Simon Raikes, Chairman**



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

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

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We have audited the financial statements of Stag Community Arts Centre for the year ended 31 March 2014 set out on pages 17 to 29. 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 2014 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)**

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

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**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

16 October 2014

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

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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 MARCH 2014**  
**INCOME AND EXPENDITURE ACCOUNT**

	Note	Restricted Funds 2014 £	Unrestricted Funds Designated 2014 £	General 2014 £	Total Funds 2014 £	Total Funds 2013 £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Voluntary income	3	101,778	-	67,089	168,867	166,484
Activities for generating funds -						
Trading operations	4	-	-	713,777	713,777	734,737
Investment income	6	-	-	102	102	63
Incoming resources from charitable activities	5	-	-	223,173	223,173	176,359
<b>TOTAL INCOMING RESOURCES</b>		101,778	-	1,004,141	1,105,919	1,077,643
<b>RESOURCES EXPENDED</b>						
Costs of generating funds:						
Trading operations		-	-	677,331	677,331	732,101
Charitable activities	8	116,852	9,351	261,515	387,718	294,644
Governance costs	10	-	-	10,203	10,203	13,038
<b>TOTAL RESOURCES EXPENDED</b>	7	116,852	9,351	949,049	1,075,252	1,039,783
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>		(15,074)	(9,351)	55,092	30,667	37,860
Transfers between Funds	17	15,074	32,728	(47,802)	-	-
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		-	23,377	<b>7,290</b>	30,667	37,860
<i>Total Funds at 31 March 2013</i>		-	84,000	3,241	87,241	49,381
<b>TOTAL FUNDS AT 31 MARCH 2014</b>		-	107,377	10,531	117,908	87,241

The above statement contains all the gains and losses recognised in the current and preceding year.  
All operations are continuing.  
The notes on pages 20 to 29 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 2014**

	Note	2014 £	2013 £
<b>FIXED ASSETS</b>			
Tangible assets	13	<u>45,690</u>	<u>61,278</u>
		<b>45,690</b>	<b>61,278</b>
<b>CURRENT ASSETS</b>			
Stocks		8,728	10,678
Debtors	15	55,775	64,222
Cash at bank and in hand		<u>227,468</u>	<u>159,320</u>
		<b>291,971</b>	<b>234,220</b>
<b>CURRENT LIABILITIES</b>			
Creditors: amounts falling due within 1 year	16	<b>(219,753)</b>	<b>(208,257)</b>
<b>NET CURRENT ASSETS</b>		<u><b>72,218</b></u>	<u><b>25,963</b></u>
<b>NET ASSETS</b>		<u><b>117,908</b></u>	<u><b>87,241</b></u>
<b>FUNDS</b>			
Unrestricted Funds		<u><b>117,908</b></u>	<u><b>87,241</b></u>
		<b>117,908</b>	<b>87,241</b>

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 09 October 2014

**Simon Raikes**  
Chairman

The notes on pages 20 to 29 form part of these financial statements.

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

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**CHARITY BALANCE SHEET**  
**31 MARCH 2014**

	Note	2014 £	2013 £
<b>FIXED ASSETS</b>			
Tangible assets	13	45,690	61,278
Investment in subsidiary	14	100	100
		45,790	61,378
<b>CURRENT ASSETS</b>			
Stocks		8,728	10,678
Debtors	15	55,775	64,222
Cash at bank and in hand		227,462	159,274
		291,965	234,174
<b>CURRENT LIABILITIES</b>			
Creditors: amounts falling due within 1 year	16	(219,847)	(208,311)
		72,118	25,863
<b>NET CURRENT ASSETS</b>			
		117,908	87,241
<b>FUNDS</b>			
Unrestricted Funds		117,908	87,241
		117,908	87,241

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 09 October 2014

**Simon Raikes**  
Chairman

The notes on pages 20 to 29 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 2014

### 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 £117,908 (2013 - £87,241) at the balance sheet date, cash reserves of £227,468 (2013 - £159,320 ) 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 £30,667 (2013 – £37,860).

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. 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.

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

**1. ACCOUNTING POLICIES (CONTINUED)**

**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.

	2014 £	2013 £
<b>TURNOVER</b>	<b>713,777</b>	<b>734,737</b>
Cost of sales	<b>(509,544)</b>	<b>(575,217)</b>
<b>GROSS PROFIT</b>	<b>204,233</b>	<b>159,520</b>
Administrative expenses	<b>(167,732)</b>	<b>(158,219)</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>36,501</b>	<b>1,301</b>
Donation payable to parent company	<b>(36,501)</b>	<b>(1,301)</b>
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>	<b>-</b>	<b>-</b>

**3. VOLUNTARY INCOME**

	Restricted Funds 2014 £	Unrestricted Funds 2014 £	Total Funds 2014 £	Total Funds 2013 £
Donations from Trusts, Foundations and Councils	<b>101,778</b>	<b>67,089</b>	<b>168,867</b>	<b>166,484</b>
	<b>101,778</b>	<b>67,089</b>	<b>168,867</b>	<b>166,484</b>

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

	Restricted Funds 2014 £	Unrestricted Funds 2014 £	Total Funds 2014 £	Total Funds 2013 £
Performance and Hire	-	<b>119,796</b>	<b>119,796</b>	<b>124,464</b>
Commercial Cinema	-	<b>451,237</b>	<b>451,237</b>	<b>440,517</b>
Bars and Catering	-	<b>122,940</b>	<b>122,940</b>	<b>144,072</b>
Marketing	-	<b>19,804</b>	<b>19,804</b>	<b>25,684</b>
	-	<b>713,777</b>	<b>713,777</b>	<b>734,737</b>



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

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Restricted Funds 2014 £	Unrestricted Funds 2014 £	Total Funds 2014 £	<i>Total Funds 2013 £</i>
Performance and Hire	-	176,866	176,866	139,204
Community Cinema	-	12,809	12,809	7,660
Bars and Catering	-	27,078	27,078	24,063
Youth Outreach		6,420	6,420	5,432
	-	223,173	223,173	176,359

**6. INVESTMENT INCOME**

	Restricted Funds 2014 £	Unrestricted Funds 2014 £	Total Funds 2014 £	<i>Total Funds 2013 £</i>
Investment income	-	102	102	63
	-	102	102	63

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

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

	2014 Staff £	2014 Depreciation £	2014 Other £	2014 Total £	2013 <i>Total Total £</i>
Stag Theatre	91,451	20,477	132,499	244,427	185,116
Performance and Hire	12,531	-	23,551	36,082	30,430
Community Cinema	443	-	74,615	75,058	54,083
Youth Outreach	4,210	-	23,099	27,309	22,011
Bars and Catering	1,108	-	3,734	4,842	3,004
Plaza Suite	228,187	-	449,144	677,331	732,101
Trading operations	337,930	20,477	706,642	1,065,049	1,026,745
Governance	-	-	10,203	10,203	13,038
Total resources expended	337,930	20,477	716,845	1,075,252	1,039,783

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

**8. EXPENDITURE BY CHARITABLE ACTIVITY**

**SUMMARY BY FUND TYPE**

	2014 Restricted Funds £	2014 Unrestricted Funds £	2014 Total Funds £	2013 Total Funds £
Stag Theatre Performance and Hire	69,507	174,920	244,427	185,116
Community Cinema	-	36,082	36,082	30,430
Youth Outreach	47,345	27,713	75,058	54,083
Bars and Catering	-	27,309	27,309	22,011
Plaza Suite	-	4,842	4,842	3,004
Trading Operations	-	677,331	677,331	732,101
<b>Total resources expended</b>	<b>116,852</b>	<b>948,197</b>	<b>1,065,049</b>	<b>1,026,745</b>

**SUMMARY BY EXPENDITURE TYPE**

	2014 Staff £	2014 Depreciation £	2014 Other £	2014 Total £	2013 Total £
Stag Theatre Performance and Hire	182,237	20,477	151,329	354,043	316,655
Community Cinema	12,531	-	23,551	36,082	30,430
Youth Outreach	443	-	74,615	75,058	54,083
Commercial Cinema	106,218	-	303,262	409,480	408,988
Bars and Catering	8,420	-	112,500	120,920	130,211
Plaza Suite	2,216	-	10,588	12,804	7,483
Marketing	25,865	-	30,797	56,662	78,895
<b>Total resources expended</b>	<b>337,930</b>	<b>20,477</b>	<b>706,642</b>	<b>1,065,049</b>	<b>1,026,745</b>

**9. SUPPORT COSTS**

	2014 Stag Theatre Performance and Hire £	2014 Community Cinema £	2014 Youth Outreach £	2014 Bars and Catering £	2014 Plaza Suite £	2014 Total £	2013 Total £
Other staff costs	901	123	82	246	123	1,475	135
Establishment expenses	14,806	16,738	1,278	7,493	2,480	42,795	35,624
Head office	7,232	986	657	1,972	986	11,833	6,371
Wages and salaries	4,764	11,634	443	4,210	1,108	22,159	23,513
	<b>27,703</b>	<b>29,481</b>	<b>2,460</b>	<b>13,921</b>	<b>4,697</b>	<b>78,262</b>	<b>65,643</b>

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

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**10. GOVERNANCE COSTS**

	2014 Restricted Funds £	2014 Unrestricted Funds £	2014 Total Funds £	2013 Total Funds £
External auditor remuneration	-	9,627	9,627	12,475
Legal and Professional advice	-	-	-	-
Internal auditor remuneration	-	550	550	550
Company secretarial	-	26	26	13
	-	<b>10,203</b>	<b>10,203</b>	<b>13,038</b>

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

This is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets: - owned by the Charity	20,477	19,360
Loss on disposal of fixed assets: - owned by the Charity	-	345
Hire of plant and machinery	8,400	4,200
Auditors' remuneration		
- Audit fees for current year	7,000	6,075
- Audit fees for previous year	(173)	1,300
- Audit fees for subsidiary undertaking	2,800	2,575
- Other assurance and advisory work	-	2,525

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**

	2014 £	2013 £
Wages & salaries	318,417	337,640
Social security	19,513	23,145
	<b>337,930</b>	<b>360,785</b>
	2014 No	2013 No
Operations	26	26
Support governance	3	5
	<b>29</b>	<b>31</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 2013	100,423
Additions	4,889
Disposals	-
<b>31 March 2014</b>	<b>105,312</b>
Depreciation:-	
1 April 2014	(39,145)
Charge for the year	(20,477)
Eliminated on disposal	-
<b>31 March 2014</b>	<b>(59,622)</b>
Net book value:-	
<b>31 March 2014</b>	<b>45,690</b>
<i>31 March 2013</i>	<i>61,278</i>

**CHARITY**

	Venue Fittings Equipm't £
Cost of valuation:-	
1 April 2013	100,423
Additions	4,889
Disposals	-
<b>31 March 2014</b>	<b>105,312</b>
Depreciation:-	
1 April 2013	(39,145)
Charge for the year	(20,477)
Eliminated on disposal	-
<b>31 March 2014</b>	<b>(59,622)</b>
Net book value:-	
<b>31 March 2014</b>	<b>45,690</b>
<i>31 March 2013</i>	<i>61,278</i>

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

**14. FIXED ASSET INVESTMENTS**

	Group		Charity	
	2014 £	2013 £	2014 £	2013 £
Investment in subsidiary	-	-	100	100
	-	-	100	100

Investments in subsidiaries	Class of Shares	% of Shares	Aggregate of share capital & reserves 31 March 2014
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	
	2014 £	2013 £	2014 £	2013 £
Trade debtors	12,459	39,614	12,459	39,614
Intercompany debtors	-	-	-	-
Other debtors	43,316	24,608	43,316	24,608
	<b>55,775</b>	<b>64,222</b>	<b>55,775</b>	<b>64,222</b>

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

	Group		Charity	
	2014 £	2013 £	2014 £	2013 £
Trade creditors	63,273	63,477	63,273	63,477
Other taxation & social security	20,510	13,749	20,510	13,749
Intercompany creditor	-	-	94	54
Other creditors	73,363	59,686	73,363	59,686
Accruals and deferred income	62,607	71,345	62,607	71,345
	<b>219,753</b>	<b>208,257</b>	<b>219,847</b>	<b>208,311</b>

Included within Other creditors is £600 (2013 - £6,375) relating to the 'Sponsor a Seat' fund relating to donations from patrons for the acquisition of new seating for the cinema (2013 – for the theatre). 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)**

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**17. ANALYSIS OF FUNDS**

	Dilapidations Fund	General Fund	Restricted Funds	Total Funds 2014	<i>Total Funds 2013</i>
	£	£	£	£	£
1 April 2013	84,000	3,241	-	87,241	49,381
Income	-	1,004,141	101,778	1,105,919	1,077,643
Expenditure	(9,351)	(949,049)	(116,852)	(1,075,252)	(1,039,783)
Transfers	32,728	(47,802)	15,074	-	-
31 March 2014	<b>107,377</b>	<b>10,531</b>	-	<b>117,908</b>	<b>87,241</b>

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.

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 2014
	£	£	£	£	£
Youth Outreach	-	40,000	(47,345)	7,345	-
Theatre Auditorium	-	61,778	(69,507)	7,729	-
	-	<b>101,778</b>	<b>(116,852)</b>	<b>15,074</b>	-

Youth Outreach Programme

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

Theatre Auditorium

Income to fund the theatre auditorium refurbishment carried out in the year was received by a substantial grant from Cory Environmental Trust in Britain and by a large number of smaller donations from users of the Stag. The balance of the expenditure was met from the Charity's General Funds.

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

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

CONSOLIDATED	Restricted funds	Unrestricted Funds	Total funds 2014	Total funds 2013
	£	£	£	£
Tangible fixed assets	-	45,690	45,690	61,278
Current assets	-	291,971	291,971	234,220
Current liabilities	-	(219,753)	(219,753)	(208,257)
	-	<b>117,908</b>	<b>117,908</b>	<b>87,241</b>

  

CHARITY	Restricted funds	Unrestricted Funds	Total funds 2014	Total funds 2013
	£	£	£	£
Tangible fixed assets	-	45,790	45,790	61,378
Current assets	-	291,965	291,965	234,174
Current liabilities	-	(219,847)	(219,847)	(208,311)
	-	<b>117,908</b>	<b>117,908</b>	<b>87,241</b>

**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 (2013 - £22,000) to the Charity towards general operational costs and £2,500 (2013 - £Nil) 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 (2013 - £Nil).

**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.