

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2016
FOR
ESCAPE: COMMUNITY ART IN ACTION LIMITED

Murphy Salisbury Limited
Chartered Accountants and Statutory Auditors
15 Warwick Road
Stratford upon Avon
Warwickshire
CV37 6YW

ESCAPE: COMMUNITY ART IN ACTION LIMITED

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FOR THE YEAR ENDED 31 MAY 2016

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ESCAPE: COMMUNITY ART IN ACTION LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MAY 2016

TRUSTEES	Dr S L Aubon (resigned 7.7.15) Mrs S Foreman (resigned 7.7.15) Mrs F E McConville (resigned 7.7.15) Mrs M E Morgan (Chair of Trustees) Mrs D J Price (resigned 4.4.16) Ms R Spiegelhalter (resigned 6.7.16) D Senter P Mills (Treasurer) G Musson (appointed 7.7.15) (resigned 6.7.16) Mrs C Pitney (appointed 7.7.15) Ms S Walpole (appointed 6.7.16)	
COMPANY SECRETARY	Ms R E Wade	
REGISTERED OFFICE	The Old Slaughterhouse Sheep Street Stratford upon Avon Warwickshire CV37 6EE	
REGISTERED COMPANY NUMBER	04441388 (England and Wales)	
REGISTERED CHARITY NUMBER	1097718	
AUDITORS	Murphy Salisbury Limited Chartered Accountants and Statutory Auditors 15 Warwick Road Stratford upon Avon Warwickshire CV37 6YW	
BANKERS	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
Artistic Directors/Managers	Karen Williams Robin Wade Jackie Newton	Artistic Director Heritage Artistic Director Arts & Health Financial Manager

ESCAPE: COMMUNITY ART IN ACTION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MAY 2016

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 May 2016. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning activities

'To improve the conditions of life and promote the social inclusion and integration of beneficiaries who are in need by reason of their age, infirmity, or disablement, poverty or social and economic circumstances, in particular but not exclusively, by providing or assisting with the provision of education, training and recreational facilities so that their conditions of life may be improved and that they may develop their physical, mental and spiritual capacities in order to grow as individuals and members of society.'

To promote any charitable purposes for the benefit of the community in the local government district of Stratford upon Avon and the Midlands (hereinafter called 'the area of benefit')

OBJECTIVES AND ACTIVITIES

Significant activities

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit. The charity relies mainly on grants and donations to cover its operating costs. The Trustees have given careful consideration to the accessibility of the activities for those on low income so no fees are charged to individuals for the core activities offered, however following a consultation with participants Escape has instigated a donation process for those who can afford to contribute to delivery costs. Escape anticipates that those in receipt of 'individualised/personalised budget' will contribute to the cost of provision.

Escapes Organisational Targets 2015 - 16

1. Increase Escapes overall capacity to reach and interact with new audiences
2. To increase skills within the Escape Team to underpin management capacity and support organisational growth
3. Increased levels of advocacy, demonstrating the multiple benefits of involvement in participatory arts
4. Develop the profile of the organisation
5. Increase levels of unrestricted fund reserves

Over the past year Escape's scope has incorporated a greater Heritage focus involving creative programmes that highlight local identity and respond directly to local needs, encouraging participation through direct consultation with local people and through our partner agencies.

The refurbishment and development of The Old Slaughterhouse Arts & Heritage Centre in spring 2015 has enabled Escape to develop a thriving Heritage programme of exhibitions and events alongside its participatory Arts programme, whilst developing unrestricted income generation through venue hire, retail and events. This and its new adapted Arts & Heritage Media Bus has enabled Escape to extend its capacity to reach new communities delivering a wide range of innovative activities for a greater demographic.

Arts Council funding for the 'Changing Landscape' project from May 2015 has provided an ambitious programme to reach new communities and a wider demographic across the county over two years. This programme supports work across Escape's existing delivery of work with young people and adults, as well as extending our work with an increasingly elderly population, helping people who are living longer to continue to maintain their health and contribute to their community. The programme offers opportunities for inter-community and multigenerational shared experiences. The programme has provision for increased artist skills through training opportunities in order to increase the capacity and quality of delivery across the project and continued evaluation of the impact of arts on health & wellbeing.

ESCAPE: COMMUNITY ART IN ACTION LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2016

OBJECTIVES AND ACTIVITIES

Significant activities

To support this growth Escape has increased its skill base on the board of Trustees to manage its expanding capacity, who actively promote the continued update of management skills and organisational strategies to ensure Escape continues to be prepared to tackle the challenges of the future. Over the past year, Escape has engaged in a programme of policy and protocol reviews to support best practice for the increased levels of collaborative community engagement and continues to develop strong links with partners locally and regionally.

Escapes continued engagement in a programme of research and promotion across the Midlands, targeting health and social services organisations who support or care for people in the community, has gained increased recognition of the service we can offer and underpins its reputation. This work is enhanced by recognition in the West Midlands of Escapes capacity for offering quality and excellence in an Arts & Health delivery environment and sharing best practice with other Arts Organisations in a continued partnership with West Midlands Arts, Health and Wellbeing Network.

The support of local artist groups 'Visual Arts Forum' through sale of artist work at Courtyard Gallery has added to fundraising activity. This activity has also provided a promotional capacity for the Charity increasing awareness of Escapes Charitable objectives.

Escape continues to establish an increased level of sustainable income and reduce dependency on Grant funding through increased commissioned and health partnership work with Educational, Health, Heritage and Arts settings, fundraising and donation policy, and through a Personalised Budget Strategy. This alongside new unrestricted income streams developed through the Old Slaughterhouse as a venue.

The current organisational policy review puts Escape in a strong position to qualify for consortia opportunities as it continues to reduce its dependency on grants.

Escape's commitment to the promoting of the use recycled and discarded materials reduces costs and has the added advantage of providing participants with sustainable methods to develop their learned skills beyond the project without needing to access sophisticated equipment and expensive materials.

Escape Arts Staff Team

Project Coordinators

To support the programme development of the increased outreach programme across Warwickshire, Escape has a small team of local coordinators reporting directly to the Artistic Directors, who manage their local areas.

Artists

Escape works with a team of freelance artists to execute and deliver the programme of creative activities. They are engaged to fulfil the objectives of each programme depending on the skills and expertise they offer. The artists are supported by session Link Coordinators at each venue to maintain continuity and smooth operation at each venue.

Link Coordinators

Escapes team of Link Coordinators provide:

- A regular friendly face to welcome participants at each venue, engaging with them to create a safe environment gain insight into individual needs.
- Work with the artists to identify individual participant needs and establish access for every participant.
- Support the artists to maximise the impact of each activity.
- Provide mentoring for support workers attending with participants to provide a legacy of support.
- Liaise with agencies in the wider community to support participants and promote moving on opportunities.

Apprenticeship

As part of The Old Slaughterhouse Arts & Heritage Programme, Escape has completed its first apprenticeship placement in 'Arts Space Management'.

Volunteers

Escape's volunteer programme offers additional capacity for the organisation at all levels, with opportunities for personal development and training across the project in line with good practice, with the objective of establishing a more sustainable service and increased local capacity to manage, deliver and maintain the service moving forwards.

ESCAPE: COMMUNITY ART IN ACTION LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2016

OBJECTIVES AND ACTIVITIES

Significant activities

2015 - 2016 Programme Activity

Key Flagship Adult Activities

- Stratford Adult Escape - weekly artist led sessions for inclusive adult groups working toward project themes.
- Nuneaton Adult Escape - weekly artist led session for inclusive adult groups working towards project themes.
- Paper Moon - weekly artist led session supporting adults with learning disabilities.

Multigenerational Programmes

The Old Slaughterhouse Arts & Heritage Studio - quarterly exhibitions & events:

- Weekly Social History Session - led by Volunteers
- Monthly VIP session supporting Veterans and Older People - led by volunteers.
- Tiny Trotters - Toddler Arts Group

Reaching Communities Odyssey Bus -arts, heritage and media studio:

- Escape Radio - weekly session of youth radio and media training.
- Events, festivals and schools delivery.

Changing Landscapes - Warwickshire Outreach Multigenerational Arts & Wellbeing Programmes:

- Community Library, Bidford upon Avon- Over 16 adult group
- Sydni Centre, Leamington Spa- weekly artist led session supporting adults with learning disabilities
- Community Room Clifford Chambers- Adult Art group
- Imagine Over 60's Group - weekly artist led sessions supporting quality of life for the elderly
- Stratford Dementia Wellbeing Café for people living with dementia.
- Atherstone Arts group - supporting the older generation.
- Men's Sheds - Self-help groups for retired men in Nuneaton.
- Nuneaton Stitch group- supporting a self- help mixed age group in the Nuneaton area.

Youth Arts Programmes

- Aspire Recordings - music development work with young people.
- National Arts Award - weekly national accreditation in youth arts leadership.
- Escape Radio - weekly media sessions leading to fortnightly live performances.
- Holiday activities - a range of youth arts events and courses over the holidays.
- Schools Offer - commissions, heritage projects, arts award, arts week activities.

Celebratory/Promotional Exhibitions and Events 2014 - 15

A key part of Escapes work is to contribute to local community events and celebrate the achievements of our participants. Over the past Year Escape has collaborated with local organisations to contribute to:

- Shakespeare's 450th Birthday Celebrations
- Stratford Arts Festival, organising an Arts Trail with local businesses
- Nuneaton Lives Celebration
- Stratford River Festival
- Nuneaton Carnival
- Nuneaton Arts Festival
- Art In the Park - Leamington
- Clifford Chambers Apple Day
- Fabfest - Folk Festival
- Music in the Dell - Leamington Arts & Music Festival
- Warwickshire Open Studios
- Stratford Motor Festival
- Bidford upon Avon Community Celebration

ESCAPE: COMMUNITY ART IN ACTION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MAY 2016

OBJECTIVES AND ACTIVITIES

Significant activities

Supporting Partners

The charity works closely with a range of partners and benefits from the ongoing support of: Warwickshire Children's Voluntary Youth Services (WCVYS), Lloyds TSB, Children in Need, Citizens Advice Bureau, Warwickshire County Council, Big Lottery, Lloyds TSB, The Arts Council England and Stratford Town Trust, Stratford Town Council, Clifford Chambers Charities, Bidford on Avon Parish Council, Warwick District Council and North Warwickshire Borough Council all of which provide advice and funding to enable the charity to carry out its charitable objectives.

In addition, Escape has also developed links with local organisations and schools in order to support delivery, promotion, research and celebration of the project. These include: Stratford Arts House, Stratford Area Regional Schools, The Shakespeare, Atherstone Leisure Centre, UHC NHS Trust, South Warwickshire NHS Wellbeing Centre, Stratford Garden Centre, Ben Partnership Rugby, Connect Well Warwickshire, Arts Health & Wellbeing Network, Shakespeare Birthplace Trust, Stratford Town Council, Stratford Arts Festival, Stratford Literary Festival, STRATFORWARD, Stratford College, Nuneaton Community Centre, Nuneaton Town Management, WCVYS, Shakespeare Hospice, Shakespeare's England, Supporting Stratford, Stratford Herald, Nottingham Trent University, and Tesco.

Sponsors: Stratford Visual Arts Forum, Art Alert, Dawn Lodge associated, Johnsons, Stratford Kitchens, NFU, Tesco, Warwickshire Open Studios AventeQ, Planet Design & Build, LPS, Wicked Musicals, Stratford in Bloom.

Public benefit

The Trustees confirm that they have complied with their duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

FINANCIAL REVIEW

Financial review

Statement of Financial Activities

The results for the year are contained in the Statement of Financial Activities on page 11. The net surplus for the year £2,549 (2015: £221,961) comprising total incoming resources of £303,771 (2015: £433,925) and total resources expended of £301,222 (2015: £211,964).

Balance Sheet

Total funds increased from £314,693 to £317,242 reflecting the net surplus as outlined above.

Tangible fixed assets decreased from £191,524 to £175,223. Cash at Bank, on Deposit and in Hand decreased from £168,212 to £126,300.

Creditors due within one year decreased from £54,356 to £21,906 mainly due to a one off invoice in prior year in respect of bus conversion outstanding at the prior year end.

Reserves policy

The trustees have agreed a policy, in line with SORP, to maintain unrestricted funds held by the Charity, of £15000 to cover the organisation for a six month period. This resource will enable the organisation to support its financial security, regular overheads and provide for basic staff to manage the existing grant funded programme.

A high percentage of the Charity expenditure is covered by restricted grant funding with appropriate staff contracted within the grant funded period and conditions.

Unrestricted funding is established through fundraising activities, a donation policy and a percentage of income generated through commissioned work, venue hire and events.

This reserve policy is monitored regularly and reviewed annually to ensure the Charity has sufficient funds to maintain its activity.

The financial statements comply with statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - accounting and Reporting by Charities.

ESCAPE: COMMUNITY ART IN ACTION LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The trustees may appoint a person who is willing to act to be a trustee either to fill a vacancy or to increase the skills of the board provided that the appointment does not cause the number of trustees to exceed any number fixed by or in accordance with the articles as the maximum number of trustees. The number of trustees shall not be less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

Trustee Appointment and Induction Procedure ensures all trustees are properly selected and both new and existing trustees are given training. Under the memorandum and articles of association, the charity has the power to make any investment which the trustees see fit. The board of Trustees meet quarterly for full board meetings, with quarterly subcommittee meetings to manage Operations, Finance policy and Human Resources.

The Artistic Directors are appointed by the Trustees to manage the day to day operation of the charity. The Artistic Directors meet regularly to track existing project delivery and action future plans and development of project progression. These action plans contribute to the Board of Trustees Management Report which is presented at full Trustee meetings.

The Management Report clearly presents status information on each of the projects, including financial status, participation and resources including the appointment of sessional workers. At these meetings the project budget and financial forecasting is confirmed and agreed, giving updates of new income/expenditure and budgets which are reviewed and re-allocated. It is within these budgets that the Artistic Directors deliver the agreed programmes.

The Report also addresses action points for discussion with Trustees. These action points relate to project progression and often require Trustee decision, for which a voting system operates. The Board work within the operational structures of the Memorandum and Articles, which set out clear procedures for organisation meetings and decision making. All meetings are minuted in accordance to our Company and Charity requirements.

Artistic Directors have quarterly meetings with programme managers and coordinators to plan program development and provide supervision of roles for all staff, to evaluate project delivery, feed-back on Trustee decisions. Occasionally issues may arise for which professional advice is sought, in such cases, identified professional persons will be invited to the Trustee Meeting. Votes directly relating to Artistic Directors are passed in their absence.

ESCAPE: COMMUNITY ART IN ACTION LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2016

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Escape: Community Art in Action Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements 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 business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Murphy Salisbury Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on and signed on its behalf by:

.....
Mrs M E Morgan - Chair of Trustees

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ESCAPE: COMMUNITY ART IN ACTION LIMITED**

We have audited the financial statements of Escape: Community Art in Action Limited for the year ended 31 May 2016 on pages ten to nineteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page seven, the trustees (who are also the directors of the charitable company 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 charitable company'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 Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 charitable company's affairs as at 31 May 2016 and of its 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 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ESCAPE: COMMUNITY ART IN ACTION LIMITED

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 Report of the Trustees.

Mark Bullock FCA (Senior Statutory Auditor)
for and on behalf of Murphy Salisbury Limited
Chartered Accountants and Statutory Auditors
15 Warwick Road
Stratford upon Avon
Warwickshire
CV37 6YW

Date:

ESCAPE: COMMUNITY ART IN ACTION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MAY 2016

		Unrestricted fund	Restricted funds	2016 Total funds	2015 Total funds
	Not es	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	17,696	-	17,696	12,076
Charitable activities	5				
Grants received for projects		7,099	242,938	250,037	403,651
Other trading activities	3	35,764	-	35,764	18,108
Investment income	4	<u>274</u>	<u>-</u>	<u>274</u>	<u>90</u>
Total		60,833	242,938	303,771	433,925
EXPENDITURE ON					
Raising funds	6	13,768	422	14,190	5,063
Charitable activities	7				
Grants and other income received for projects		<u>33,825</u>	<u>253,207</u>	<u>287,032</u>	<u>206,901</u>
Total		<u>47,593</u>	<u>253,629</u>	<u>301,222</u>	<u>211,964</u>
NET INCOME/(EXPENDITURE)		13,240	(10,691)	2,549	221,961
Transfers between funds	18	<u>5,420</u>	<u>(5,420)</u>	<u>-</u>	<u>-</u>
Net movement in funds		18,660	(16,111)	2,549	221,961
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>16,927</u>	<u>297,766</u>	<u>314,693</u>	<u>92,732</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>35,587</u></u>	<u><u>281,655</u></u>	<u><u>317,242</u></u>	<u><u>314,693</u></u>

The notes form part of these financial statements

ESCAPE: COMMUNITY ART IN ACTION LIMITED

BALANCE SHEET
AT 31 MAY 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible assets	13	175,223	191,524
CURRENT ASSETS			
Debtors	14	37,625	9,313
Cash at bank		<u>126,300</u>	<u>168,212</u>
		163,925	177,525
CREDITORS			
Amounts falling due within one year	15	(21,906)	(54,356)
		<hr/>	<hr/>
NET CURRENT ASSETS		<u>142,019</u>	<u>123,169</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<hr/>	<hr/>
		317,242	314,693
NET ASSETS		<u>317,242</u>	<u>314,693</u>
FUNDS	18		
Unrestricted funds		35,587	16,927
Restricted funds		<u>281,655</u>	<u>297,766</u>
TOTAL FUNDS		<u>317,242</u>	<u>314,693</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
Mrs M E Morgan – Chair of Trustees

ESCAPE: COMMUNITY ART IN ACTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2016

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Only individual tangible fixed assets costing £1,000 or more are capitalised.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- over the term of the lease
Fixtures and fittings	- 25% on straight line basis
Motor vehicles	- 25% on straight line basis
Computer equipment	- 25% on straight line basis

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Government grants and lottery awards

Grants of a revenue nature are credited to income in the period in which the charity is entitled to receipt. Income is only deferred where the donor has specified that the income is to be expended in a future period.

Operating leases

Rentals payable under operating leases are charged in the Statement of Financial Activities as incurred.

2. DONATIONS AND LEGACIES

	2016	2015
	£	£
Donations	<u>17,696</u>	<u>12,076</u>

ESCAPE: COMMUNITY ART IN ACTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MAY 2016

3. OTHER TRADING ACTIVITIES

	2016	2015
	£	£
Fundraising activities	22,004	10,658
Events, workshops and commissions	13,070	7,450
Hire of building	690	-
	<u>35,764</u>	<u>18,108</u>

4. INVESTMENT INCOME

	2016	2015
	£	£
Deposit account interest	<u>274</u>	<u>90</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2016	2015
	£	£
Stratford District Council	-	10,509
Warwickshire County Council	10,150	5,500
Arts Council	33,544	41,929
Stratford Town Trust	90,529	248,282
Big Lottery - Reaching Community	80,839	78,333
Community Development	-	2,500
Tesco Charity Trust	-	1,200
BBC Children In Need	8,893	6,669
Lloyds Bank Foundation	8,450	8,150
Citizens Advice Bureau	-	579
Rugby Borough Council	933	-
North Warwickshire Borough Council	2,500	-
Heritage Lottery Fund	9,900	-
Bidford Parish Council	1,000	-
Creative Alliance	2,625	-
Warwickshire CAVA	674	-
	<u>250,037</u>	<u>403,651</u>

6. RAISING FUNDS

Other trading activities

	2016	2015
	£	£
Goods purchased for resale	<u>14,190</u>	<u>5,063</u>

ESCAPE: COMMUNITY ART IN ACTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MAY 2016

7. CHARITABLE ACTIVITIES COSTS

	2016	2015
	£	£
Session and event costs	17,956	15,240
Premises costs	16,274	19,768
Administration costs	15,826	8,393
Artists, staff and consultants costs	208,674	127,472
Depreciation of fixed assets	24,383	32,200
Governance costs:		
- Audit and accountancy fees	<u>3,919</u>	<u>3,828</u>
	<u>287,032</u>	<u>206,901</u>

8. SUPPORT COSTS

	Governance costs £
Grants received for projects	<u>3,919</u>

Activity	Basis of allocation
Governance costs	100% allocation

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging:

	2016	2015
	£	£
Auditors' remuneration	1,450	1,380
Depreciation - owned assets	<u>24,383</u>	<u>32,200</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 May 2016 nor for the year ended 31 May 2015.

Trustees' expenses

Expenses totalling £nil (2015: £192) were reimbursed to a Trustee during the year.

ESCAPE: COMMUNITY ART IN ACTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MAY 2016

11. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	116,131	24,972
Social security costs	<u>1,928</u>	<u>-</u>
	<u>118,059</u>	<u>24,972</u>

The average monthly number of employees during the year was as follows:

2016	2015
<u>11</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	5,544	6,532	12,076
Charitable activities			
Grants received for projects	8,129	395,522	403,651
Other trading activities	14,043	4,065	18,108
Investment income	<u>90</u>	<u>-</u>	<u>90</u>
Total	27,806	406,119	433,925
EXPENDITURE ON			
Raising funds	4,546	517	5,063
Charitable activities			
Grants and other income received for projects	<u>23,544</u>	<u>183,357</u>	<u>206,901</u>
Total	28,090	183,874	211,964
NET INCOME/(EXPENDITURE)	(284)	222,245	221,961
Transfers between funds	<u>4,725</u>	<u>(4,725)</u>	<u>-</u>
Net movement in funds	4,441	217,520	221,961
RECONCILIATION OF FUNDS			
Total funds brought forward	12,486	80,246	92,732
TOTAL FUNDS CARRIED FORWARD	<u>16,927</u>	<u>297,766</u>	<u>314,693</u>

ESCAPE: COMMUNITY ART IN ACTION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MAY 2016**

13. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 June 2015	157,887	27,398	38,400	8,003	231,688
Additions	<u>3,611</u>	<u>1,600</u>	<u>2,871</u>	-	<u>8,082</u>
At 31 May 2016	<u>161,498</u>	<u>28,998</u>	<u>41,271</u>	<u>8,003</u>	<u>239,770</u>
DEPRECIATION					
At 1 June 2015	8,508	14,053	9,600	8,003	40,164
Charge for year	<u>8,499</u>	<u>4,849</u>	<u>11,035</u>	-	<u>24,383</u>
At 31 May 2016	<u>17,007</u>	<u>18,902</u>	<u>20,635</u>	<u>8,003</u>	<u>64,547</u>
NET BOOK VALUE					
At 31 May 2016	<u>144,491</u>	<u>10,096</u>	<u>20,636</u>	-	<u>175,223</u>
At 31 May 2015	<u>149,379</u>	<u>13,345</u>	<u>28,800</u>	-	<u>191,524</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Other debtors	1,035	6,053
Prepayments and accrued income	<u>36,590</u>	<u>3,260</u>
	<u>37,625</u>	<u>9,313</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Other creditors	10,877	42,141
Accrued expenses	<u>11,029</u>	<u>12,215</u>
	<u>21,906</u>	<u>54,356</u>

16. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2016 £	2015 £
Expiring: Between one and five years	<u>7,680</u>	<u>7,680</u>

ESCAPE: COMMUNITY ART IN ACTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MAY 2016

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Fixed assets	-	175,223	175,223	191,524
Current assets	43,725	120,200	163,925	177,525
Current liabilities	(8,138)	(13,768)	(21,906)	(54,356)
	<u>35,587</u>	<u>281,655</u>	<u>317,242</u>	<u>314,693</u>

18. MOVEMENT IN FUNDS

	At 1.6.15 £	Net movement in funds £	Transfer between funds £	At 31.5.16 £
Unrestricted funds				
General fund	16,927	13,240	5,420	35,587
Restricted funds				
Stratford project	4,807	(3,356)	(1,451)	-
Nuneaton Arts & Health	6,913	(3,898)	-	3,015
Youth Development	11,430	(11,377)	-	53
Arts Award	1,779	1,318	(1,440)	1,657
Aspire	4,648	(2,359)	(2,289)	-
Slaughterhouse development	184,423	14,364	-	198,787
Odyssey	37,467	(1,794)	-	35,673
Media Studio	2,598	(990)	-	1,608
Councillors fund	-	925	-	925
Changing Landscapes	41,447	(9,371)	(240)	31,836
Rugby Escape	1,425	172	-	1,597
WCC - Tourism	-	1,197	-	1,197
World War 1	-	4,492	-	4,492
Other	829	(14)	-	815
Total restricted funds	<u>297,766</u>	<u>(10,691)</u>	<u>(5,420)</u>	<u>281,655</u>
Total funds	<u>314,693</u>	<u>2,549</u>	<u>-</u>	<u>317,242</u>

ESCAPE: COMMUNITY ART IN ACTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MAY 2016

18. MOVEMENT IN FUNDS - continued

Net movements in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	60,833	(47,593)	13,240
Restricted funds			
Stratford project	-	(3,356)	(3,356)
Nuneaton Project	-	(3,898)	(3,898)
Youth Development	-	(11,377)	(11,377)
Arts Award	8,450	(7,132)	1,318
Aspire	8,893	(11,252)	(2,359)
Slaughterhouse development	90,229	(75,865)	14,364
Odyssey	80,839	(82,633)	(1,794)
Media Studio	-	(990)	(990)
Councillors fund	1,400	(475)	925
Changing Landscapes	33,544	(42,915)	(9,371)
Rugby Escape	933	(761)	172
WCC - Tourism	8,750	(7,553)	1,197
World War 1	9,900	(5,408)	4,492
Other	-	(14)	(14)
Total restricted funds	<u>242,938</u>	<u>(253,629)</u>	<u>10,691</u>
Total funds	<u><u>303,771</u></u>	<u><u>(301,222)</u></u>	<u><u>2,549</u></u>

Movements from restricted to unrestricted funds are comprised of the following:

- internal transfers for project costs including venue hire, equipment hire, media bus hire, administration and other agreed costs relating to full project recovery.
- the transfer of any balance remaining on completion of a restricted project, with the full permission of each donor.

Flag ship Project Activities:

Stratford Project - weekly artist led sessions for inclusive adult groups working toward project themes.

Funded by Stratford Town Trust with additional funding from unrestricted resources ; earned income and donations. On-going.

Nuneaton Arts & Health - weekly artist led sessions for inclusive adult groups working towards project themes including a Men's Shed Group. Funded by WCC & Town Centre Footfall funding with additional funding from unrestricted sources, Crowd funding, donations and local fundraising. On-going.

Youth Development - management costs for Stratford youth programme. Funded by Stratford Town Trust.

Arts Award - weekly sessions working towards national accreditation in youth arts leadership.

Funded by Lloyds TSB. Completed August 2016

Aspire - recording and music development work with young people, resulting in recording of Children in Need single release in November 2015.

Funded by Children in Need. Completed in April 2016

Slaughterhouse Development - redevelopment of derelict building to house Escape's Arts & Heritage Studio, providing space for workshop sessions, community engagement and a programme of quarterly exhibitions & events.

Funded by Stratford Town Trust.

Odyssey - five year youth programme including an arts bus studio on wheels delivering media/arts activities at events, escape radio programme, holiday activities, and schools programmes.

Funded by Big Lottery - Reaching Communities Fund.

ESCAPE: COMMUNITY ART IN ACTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MAY 2016

18. MOVEMENT IN FUNDS - continued

Media Studio - reserved for technology equipment. Funded by Stratford District Council.

Councillors Fund - funding to support volunteer programmes in Stratford & Nuneaton areas.

Changing Landscapes - two year Arts Council funded outreach programme working across Warwickshire to increase delivery capacity and reach new multi-generational audiences, with a focus on developing more quality of life opportunities for people living longer. Due for completion July 2017.

Rugby Escape - community engagement programme - arts on prescription in Rugby. Funded by Rugby Borough Council until December 2016.

WCC - Tourism Grant - provided to invest in a programme of community engagement to increase visitor numbers to the Old Slaughterhouse and footfall within Stratford on Avon. This included a festive Christmas programme of events and local heritage exhibition, with key pieces of public art commissioned.

World War I - Stratford's Untold Stories funded through Heritage Lottery Fund. This project has worked across all Stratford Schools and within the community to research and tell the stories of WW1 soldiers and their families. The project worked with over 700 school children and resulted in a major exhibition at Stratford Town Hall on 1st July 2016 and a second 3 month exhibition at the Old Slaughterhouse.

19. RELATED PARTY DISCLOSURES

R E Wade

The charity's company secretary.

During the year RE Wade and R Baker (husband of R E Wade) jointly received £693 (2015: £2,772) in rental income, paid by the charity. The balance outstanding at the year end was £nil (2015: £231). R Baker also received £2,000 (2015: £4,000) for work done for the charity. The balance due at the year end was £nil (2015: £400).

P Mills

A charity Trustee

During the year J De Bastion (related to P Mills) received £839 (2015: £423) as fees, paid by the charity. The balance outstanding at the year end was £nil (2015: £nil).

During the year R de Bastion (related to P Mills) received £5,800 (2015: £nil) as fees, paid by the charity. The balance outstanding at the year end was £1,800 (2015: £nil).

20. STATUS

Escape: Community Art in Action Limited is a company limited by guarantee not having any share capital.

