



Digswell Arts Trust

Directors Report & Accounts 31 March 2021

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Contents

	Page
Legal and administrative information	3
Directors' Report	
Introduction	4
Structure, governance and management	4
Objectives and Activities	4/5
Public Benefit	5
Achievements and performance	5
Coronavirus	5
Financial Review	6-7
Report of the Independent Examiner	8
Accounts	
Statement of Financial Activities	9
Cash Flow	10
Balance Sheet	11
Notes to the Accounts	12-14

Digswell Arts Trust
Directors Report & Accounts 31 March 2021

Legal and Administrative Information

DIRECTORS:	Phillippa Brown Alistair Covell Howard Cropp Kailas Elmer Anton Psak Stephen Rogers Michael Shaw
REGISTERED OFFICE:	The Forge, Hertford Road, Digswell, Welwyn, Hertfordshire, AL6 0BU
REGISTERED CHARITY NUMBER:	1150915
COMPANY REGISTRATION No.:	8282859
BANKERS:	CAF Bank plc 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ
INDEPENDENT EXAMINER:	Roy Pinnock & Co LLP Wren House, 68 London Road, St Albans, Hertfordshire, AL1 1NG

Digswell Arts Trust

Directors Report & Accounts 31 March 2021

Introduction

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 March 2021. 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 102 (effective 1 January 2015). The responsibility for preparing this report rests with the Trustees and has been approved by them at a meeting of the board on 20th October 2021.

The Digswell Arts Trust was founded over 60 years ago by Henry Morris, the revolutionary educationalist, and inaugurated by Lady Mountbatten on 29th May 1959. Morris passionately believed in art for people and maintained that artists were vital for the well-being of society. Through his energy, dedication and influence he persuaded the Government and the Welwyn Garden City Development Corporation to establish a Trust for professional artists at Digswell House, a regency mansion with cottages and outbuildings on the edge of Welwyn Garden City. That commitment to supporting emerging artists and Art in the community continues through the Trust's activities at The Forge (Welwyn/Hatfield) and Fenners Building (Letchworth).

Structure, Governance and Management

Governing document

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

Governance & Management

New trustees are introduced to the charity and voted on to the board by the current trustees. New trustees are selected with a diverse range of skills. The directors of the Company at the time of this report were as listed on Page 3. During the year Susan Lines and Sarah Breeden resigned on 14th May 2020 & Judy Glasman resigned on 28th October 2020 for health reasons and Michael Shaw was appointed Chair by the trustees. Caryl Beach resigned on 20th October 2021. Our coordinator, Sarah Core, supports the administration of the Trust and the Trustees are grateful for the support of our volunteers who provide guidance and support in mentoring, community, technical and building matters.

Objectives and Activities

The objects of the Company as set out in the articles of association are:

1. The assistance of persons who intend to or have become artists or craftsmen and who are in need of financial assistance, in particular but not exclusively by the provision of materials, the payment of fees, travelling or maintenance allowances and the provision of low cost studio accommodation to enable them to earn their living.
2. The promotion of education and training in art and allied subjects.
3. The promotion of the appreciation of art.

Digswell Arts Trust

Directors Report & Accounts 31 March 2021

The principal activity of the company has been the provision of studios for artists and craft persons at The Forge, Digswell, and Fenners Building, Letchworth.

Fellowships are granted for up to five years. Fellows make an affordable contribution to the costs of running the studios and are expected to participate in the studio and local communities. In previous years the Trust has had a strong ceramics teaching programme at Fenners. A Printmakers group at the Forge has allowed print artists to have access to the excellent facilities available in the print room at the Forge. The Trust sponsors 'open studio' events at all venues, encourages Fellows to involve themselves in local community events and activities, and supports Fellows professional development. During Covid such activities faced restrictions which meant that our community voice was much diminished.

Public Benefit

The trustees have given due consideration to the charity commissioners published guidance on public benefit.

The benefits for our Fellows, Print members and Ceramics Community as individuals in the community and the artistic life of the communities we serve particularly in Letchworth and Welwyn are listed below:

Achievements & Performance

- **Development of emerging artists.** 26 Fellows enjoyed the benefits of reasonably priced studios from which to develop themselves towards making a living from their practice. Many received grants towards exhibitions and other aspects of their personal development. The annual University Day at UH remains a first class networking and development opportunity. Fellows have been enabled to develop their careers regionally, nationally and with some getting international exposure during the period of their Fellowships.
- **Public Art Tuition.** Classes, open to the public have stopped altogether during the Covid emergency.
- **Art for the Community.** Open Studios was stopped entirely during the Covid emergency. Trustee and alumni engagement with Letchworth Arts organisations and Welwyn 2020 continued, and the Trust was particularly pleased to work with the Welwyn Garden City Centenary Foundation on two notable public art projects, the loan of a large sculpture by Henry Moore, and the commissioning of statue of Ebenezer Howard, both on display in Welwyn Garden City town centre.

The Trust acknowledges the support of the boroughs in which we operate and particularly the contribution of Letchworth Heritage Foundation and Welwyn Hatfield and North Herts District Councils.

Coronavirus

The Covid-19 crisis has had a major impact on the activities of the Trust and its Fellows with studios effectively closed to all but a few Fellows for 6 months followed by a trickle back in

Digswell Arts Trust

Directors Report & Accounts 31 March 2021

their use of their studios. About a quarter of our space is available for teaching and public exhibitions. All such activities stopped during the year due to coronavirus restrictions.

Financial review

Because of Covid, the Trustees cut the requirement for Fellows to make any studio contributions from April 2020 to August 2020. The Trustees are grateful to those Fellows and Print Members who continued to make their studio contributions during this time. In addition, a Fellows exhibition project at Howardsgate, Welwyn Garden City, initiated by Abi Freckleton, generated £6,413. This helped to rescue what would otherwise have been a very bad year financially. The combination of this project, the reduced income from Fellows and cost savings from empty studios generated a small operational gain. In addition, the recovery of our long term investments by £20,466 generated an increase in funds of £22,922.

Budgets for studio expense and administration remain tightly managed although costs are rising. The Trust has 2 year contracts for Utilities which account for about half of studio expenses.

Balance sheet.

Net Assets at 31 March 2021 were £70,976 up £22,922. These accounts reflect the Trust's continued conservative approach to accounting as befits an organisation, founded in 1957, mainly living within its own resources. With this in mind the Trust reserves policy is:

Reserves Policy. The reserves the Trust holds are consistent with the environment in which the Trust operates, and its charitable objects. That environment over the past several decades has meant that the Trust has looked first to itself for the funding of its activities with grants sought before commitment to special events and projects.

The Trust's studios are not run for profit. Studio charges are set at levels which help emerging artists and craftsmen to find their feet during their maximum 5 years. Surpluses are invested to support their development.

The Trust is fortunate to have financial support from the boroughs in which its studios are located. The Trust's buildings have been provided on favourable terms. Building provisions to cover long term maintenance and reparations have been provided for and stand at £18,381.

The Trust has an excellent ceramics facility at Fenners, (generously part funded by Letchworth Heritage Foundation). There is an exhibition facility at Fenners which continues to require investment in equipment and other support. The Trust is looking at improving its Print programme at the Forge. The Trust continues to improve its IT infrastructure.

The Trust's insurance policies cover potential liabilities related to Trustees, Fellows, volunteers, the general public and property. Beyond this, reserves contain a reasonable "margin of safety" for any uninsured or unknown risks. Accounting (which is on an accruals basis) includes provisions for eventual repairs, replacement and refurbishment of equipment and property as required by our leases.

The Trust is aware that the demand for the support it provides to emerging artists and to local communities extends across Eastern Region, well beyond its current locations.

Digswell Arts Trust

Directors Report & Accounts 31 March 2021

It is the intention of the Trust to continue to grow across the Region in line with demand and as funds allow. The cost of establishing safe, warm studios from buildings often requiring renovation is currently c£2,000 plus per studio. It is the trustees' belief that the reserves of £70,976 are currently adequate for these risks and commitments and are now sufficient for a major studio project (with the usual partnership funding), as well as for the other matters referred to above.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The image shows two handwritten signatures in blue ink on a light blue background. The signature on the left is 'Stephen Rogers' and the signature on the right is 'Michael Shaw'.

Stephen Rogers

Michael Shaw

Approved by order of the board of trustees on 20th October 2021 and signed on its behalf by :

Digswell Arts Trust
Directors Report & Accounts 31 March 2021

Independent Examiner's Report to the Trustees of
Digswell Arts Trust

Independent examiner's report to the trustees of Digswell Arts Trust ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st March 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached



Natalie Coleman FCCA
Roy Pinnock & Co LLP
Chartered Certified Accountants
Wren House
68 London Road
St Albans
Hertfordshire
AL1 1NG

Date 20th October 2021

Digswell Arts Trust
Directors Report & Accounts 31 March 2021
Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the year ended 31 March 2021

	Notes	Year ended 31/3/2021 Unrestricted Funds £	Year ended 31/3/2020 Unrestricted Funds £
INCOME			
Income from charitable activities:			
Fellows' contribution to studio costs		<u>30,237</u>	<u>32,439</u>
Total Income		<u>30,237</u>	<u>32,439</u>
EXPENDITURE			
Charitable activities:			
Expenses at studios	2	20,871	28,486
Grants to Fellows		206	2,754
Administration	3	<u>6,684</u>	<u>5,774</u>
Total Expenditure		<u>27,761</u>	<u>37,014</u>
Net gains/(losses) on investments	4	<u>20,446</u>	<u>(8,930)</u>
Net Increase/(decrease) in fund		22,922	(13,505)
RECONCILIATION OF FUNDS			
Net assets at 1 April 2020		<u>48,054</u>	<u>61,559</u>
Net assets at 31 March 2021		<u>70,976</u>	<u>48,054</u>

The notes on pages 12-14 form part of these financial statements

Digswell Arts Trust
Directors Report & Accounts 31 March 2021

Statement of Cash Flows
for the year ended 31 March 2021

	Year ended 31/3/ 2021 Unrestricted Funds £	Year ended 31/3/2020 Unrestricted Funds £
Net Increase/(decrease) in fund	22,922	(13,505)
Sale of investment assets	5,000	5,000
(Gains)/Losses on investment assets	(20,446)	8,930
Increase/(decrease) in creditors	<u>4,668</u>	<u>(4,520)</u>
Net cash from operations	12,144	(4095)
Cash at 1 April 2020	<u>1,415</u>	<u>5,510</u>
Cash at 31 March 2021	<u>13,559</u>	<u>1,415</u>

Digswell Arts Trust
Directors Report & Accounts 31 March 2021

Balance Sheet 31 March 2021

		31/3/2021	31/3/2020
FIXED ASSETS	Notes	£	£
Investments	5	<u>85,093</u>	<u>69,647</u>
CURRENT ASSETS:			
Bank Balances		13,559	1,415
CREDITORS:			
Amounts falling due within one year			
Creditors	6	<u>27,676</u>	<u>23,008</u>
NET CURRENT LIABILITIES		<u>(14,117)</u>	<u>(21,593)</u>
TOTAL NET ASSETS		<u>70,976</u>	<u>48,054</u>
TOTAL FUNDS	7	<u>70,976</u>	<u>48,054</u>

Digswell Art Trust is charitable private limited company registered in England & Wales Number 8282859, limited by guarantee as defined by the Companies Act 2006. The registered office of the company is The Forge, Hertford Road, Digswell, Welwyn, Hertfordshire, AL6 0BU

This charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for

a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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 102 (effective January 2015).

The financial statements were approved by the Board on 20th October 2021 and were signed on its behalf by:



Stephen Rogers
Trustee



Michael Shaw
Trustee

Digswell Arts Trust
Directors Report & Accounts 31 March 2021

Notes to the Financial Statements
For the year ended 31 March 2021

1. ACCOUNTING POLICIES

Accounting convention

The financial statements of the charitable company have been prepared in accordance with Financial reporting Standard 102 (effective 1 January 2015), the Charities SORP (FRS 102) and the Companies Act 2006, under the historical cost convention with the exception of investments which are included at market value.

The accounts have been prepared on a going concern basis. There are no material uncertainties about the charity's ability to continue.

Income

All income is included on the Statement of Financial Activities when the charity is legally entitled to it and the amount can be quantified with reasonable accuracy.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs 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. Grants offered subject to conditions which have not been met at the yearend date are noted as a commitment but not accrued as expenditure.

Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due

Donated services

During the year a number of volunteers gave up their time to help the charity with activities.

It is not considered that any reliable value can be placed on the monetary value of the volunteers, for this reason no value has been reflected in the accounts.

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.

Digswell Arts Trust
Directors Report & Accounts 31 March 2021

Notes to the Financial Statements
For the year ended 31 March 2021 (contd)

2. STUDIO EXPENSES

	Year ended 31/3/2021	Year Ended 31/3/2020
Expenditure at Studios:	£	£
Rent, Rates and Insurance	3,494	3,986
Services	8,930	13,089
Maintenance	<u>8,447</u>	<u>11,411</u>
Total Expenditure	<u>20,871</u>	<u>28,486</u>

3. GRANTS PAID

	Year ended 31/3/2021	Year Ended 31/3/2020
Paid to individuals	<u>206</u>	<u>2,754</u>

These grants were paid to assist the recipients with art activities

There were no support costs related to the payment of these grants

4. ADMINISTRATION

	Year ended 31/3/2021	Year Ended 31/3/2020
	£	£
Office costs	475	150
Insurance	1,970	1,949
Independent review	383	371
Website	969	897
Administrator	2,887	1,741
Communication	-	<u>666</u>
TOTAL ADMINISTRATION	<u>6,684</u>	<u>5,774</u>

There were no related party transactions during the year. No director has received any remuneration or other employment benefit. No personal expenses were reimbursed. Average number of employees during the year were nil (2020:nil).

Digswell Arts Trust
Directors Report & Accounts 31 March 2021

5. LISTED INVESTMENTS

At Market Value	Year ended 31/3/2021 £	Year Ended 31/3/2020 £
At 1 April 2020	69,647	83,577
Sales of funds	(5,000)	(5000)
Appreciation/ (depreciation)	<u>20,446</u>	<u>(8,930)</u>
At 31 March 2021	<u>85,093</u>	<u>69,647</u>

Notes to the Financial Statements
For the year ended 31 March 2021 (contd)

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Year ended 31/3/2021 £	Year Ended 31/3/2020 £
Deposits	4,969	5,299
Building maintenance provisions	18,381	17,381
Provision for works 2021/22	3,000	-
Amounts payable	<u>1,326</u>	<u>328</u>
	<u>27,676</u>	<u>23,008</u>

7. FUNDS

All funds are unrestricted.