



**JERSEY ARTS CENTRE ASSOCIATION**

**Financial Statements  
for the year ended 31 December 2015**

## **JERSEY ARTS CENTRE ASSOCIATION**

### **Table of Contents**

	Pages
Statement of the Management Committee's Responsibilities with regard to the Financial Statements	1
Independent Auditors' Report to the members of the Jersey Arts Centre Association	2 - 3
Statement of Financial Activities	4
Balance Sheet	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 15

**STATEMENT OF THE MANAGEMENT COMMITTEE'S RESPONSIBILITIES WITH REGARD TO THE FINANCIAL STATEMENTS**

The Management Committee is responsible for preparing the financial statements in accordance with applicable regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The regulations applicable to the charity require the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Management Committee is required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Management Committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the applicable regulations. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

A. GOODYEAR, BSc (Hons)  
Chairman

Date: 17 May 2016

D. LE GRESLEY, BA (Hons), MA, FCMA  
Honorary Treasurer

Date: 17 May 2016

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
JERSEY ARTS CENTRE ASSOCIATION**

2

We have audited the financial statements of the Jersey Arts Centre Association for the year ended 31 December 2015 on pages 4 to 15 which have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the Association's Members, as a body in accordance with applicable law. Our audit work has been undertaken so that we might state to the Association'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 the law, we do not accept or assume responsibility to anyone other than the Association and the Association's Members as a body, for our audit work, for this report, or for the opinion we have formed.

**Respective responsibilities of the Management Committee and Independent Auditors**

The responsibilities of the Management Committee for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice ("United Kingdom Accounting Standards") are set out in the statement of the Management Committee's responsibilities with regards to the financial statements on page 1.

Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with United Kingdom Accounting Standards. In addition we report to you whether, in our opinion, the information given in the Financial Report, contained within the Annual Report of the Association is consistent with the financial statements. We also report to you if, in our opinion, the Association has not kept proper accounting records, if the Association's financial statements are not in agreement with the accounting records or if we have not received all of the information and explanations we require for our audit.

We read the Financial Report contained within the Annual Report of the Association, and consider whether it is consistent with the financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Management Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Association's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Association's affairs as at 31 December 2015 and its incoming resources and application of resources, including the Association's income and expenditure, for the year then ended.
- have been properly prepared in accordance with applicable law.
- are consistent with the information given in the Honorary Treasurer's Report contained within the Annual Report of the Association.

**Emphasis of Matter - Going Concern**

In forming our opinion, we have considered the adequacy of the disclosures made in Note 1 (b) on page 7, concerning the fact that the continuation of the Association as a going concern is dependent upon the level of future grant funding from the States of Jersey via the Department for Economic Development, Tourism, Sport and Culture. In view of the significance of this matter we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

N. F. WALKER FCA  
For and on behalf of Jackson Fox  
PO Box 264  
Forum 4  
Grenville Street  
St Helier  
Jersey  
JE4 8TQ

Date: 19 May 2016

**JERSEY ARTS CENTRE ASSOCIATION**

Statement of Financial Activities for the year ended 31 December 2015

	Note	Unrestricted Funds			2015 Total	Unrestricted Funds			2014 Total
		Operations	Designated	Project		Operations	Designated	Project	
		£	£	£	£	£	£	£	
<b>INCOME FROM</b>									
Donations									
~ grants	2	453,425	15,000	468,425	452,706	33,543	486,249		
~ donations		1,013		1,013	65		65		
~ membership subscriptions		19,837		19,837	20,083		20,083		
~ sponsorship	3	7,450	18,246	25,696	400	92,755	93,155		
Investments		74		74	3,039		3,039		
<b>Operations</b>									
~ hirings		114,192		114,192	84,231		84,231		
~ promotions	4	118,183	8,024	126,207	144,858	7,584	152,442		
~ concession rental	8	28,680		28,680	28,119		28,119		
<b>Total income</b>		<b>742,854</b>	<b>41,270</b>	<b>784,124</b>	<b>733,501</b>	<b>133,882</b>	<b>867,383</b>		
<b>EXPENDITURE ON</b>									
Cost of operations									
~ hirings	5	89,079		89,079	73,395		73,395		
~ promotions		259,060	39,790	298,850	242,078	118,728	360,806		
<b>Managing the charity</b>	5								
~ establishment		88,234	714	94,984	77,350	5,286	109,068		
~ administration		336,800	714	337,514	333,659	5,286	338,945		
~ finance		55,300	714	56,014	53,320	5,287	58,607		
<b>Total expenditure</b>		<b>828,473</b>	<b>41,932</b>	<b>876,441</b>	<b>779,802</b>	<b>134,587</b>	<b>940,821</b>		
<b>Net expenditure</b>		<b>(85,619)</b>	<b>(662)</b>	<b>(92,317)</b>	<b>(46,301)</b>	<b>(705)</b>	<b>(73,438)</b>		
Transfers between funds		28,927	662	-	27,957	705	(28,662)		
<b>Net movement in funds</b>	6	<b>(56,692)</b>	-	<b>(92,317)</b>	<b>(18,344)</b>	-	<b>(73,438)</b>		
<b>RECONCILIATION OF FUNDS</b>									
Total funds brought forward		772,723	12,173	1,003,289	772,723	30,517	1,081,239		
Applied directly to / (from)									
reserves	7	56,692	(56,692)	11,325	18,344	(18,344)	11,438		
Released to Sponsorship	7	(44,519)	44,519	-	-	(15,950)	(15,950)		
From reserves to fund Designated	7	728,204	-	910,630	772,723	345	1,003,289		
<b>Total funds carried forward</b>		<b>728,204</b>	<b>3</b>	<b>910,630</b>	<b>772,723</b>	<b>218,048</b>	<b>1,003,289</b>		

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The notes on pages 7 to 15 form part of these audited financial statements.  
Independent auditors' report – pages 2 and 3.

**JERSEY ARTS CENTRE ASSOCIATION**  
**Balance Sheet**  
**As at 31 December 2015**

5

	Note	2015		2014	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	9		782,326		816,676
Investments:					
Cash at Bank – Designated Fund	14		-		12,173
Cash at Bank – Phillips Street Maintenance Fund	15		22		6,058
			<u>782,348</u>		<u>834,907</u>
<b>Current Assets</b>					
Debtors and Prepayments	10	33,123		76,233	
Cash at Bank and in Hand		<u>186,048</u>		<u>149,697</u>	
		219,171		225,930	
<b>Creditors – amounts falling due within one year</b>	11	<u>(90,889)</u>		<u>(57,548)</u>	
<b>Net Current Assets</b>			<u>128,282</u>		<u>168,382</u>
<b>Total Net Assets</b>			<u>910,630</u>		<u>1,003,289</u>
<b>The Funds of the Charity:</b>	12				
<b>Restricted Funds</b>					
Project and Long Term Funds					
Amici Artium		3		345	
Capital Donation Fund- General		34,545		46,901	
Capital Donation Fund- Roof Development		147,856		165,089	
Phillips Street Maintenance Fund		22		6,058	
Total Restricted Funds			<u>182,426</u>		<u>218,393</u>
<b>Unrestricted Funds</b>					
Accumulated Fund	13	728,204		772,723	
Designated Fund	14	-		12,173	
Total Unrestricted Funds			<u>728,204</u>		<u>784,896</u>
<b>Total Charity Funds</b>			<u>910,630</u>		<u>1,003,289</u>

The financial statements on pages 4 to 15 were approved and authorised for issue by the Management Committee, who confirmed that they had made available all relevant records and information, on 17 May 2016 and were signed on its behalf by:

A. GOODYEAR, BSc (Hons)  
 Chairman

D. LE GRESLEY, BA (Hons), MA, FCMA  
 Honorary Treasurer

The notes on pages 7 to 15 form part of these audited financial statements.  
 Independent Auditors' Report – pages 2 and 3.

**JERSEY ARTS CENTRE ASSOCIATION**  
**Statement of Cash Flows**  
**For the year ended 31 December 2015**

6

	2015		2014	
	£	£	£	£
<b>Cash flows from operating activities:</b>				
Net cash provided by / (used in) operating activities		<u>33,049</u>		<u>(16,259)</u>
<b>Cash flows from investing activities:</b>				
Dividends, interest and rents from investments	74		3,039	
Purchase of property, plant and equipment	<u>(14,981)</u>		<u>(22,242)</u>	
Net cash provided by / (used in) investing activities		<u>(14,907)</u>		<u>(19,203)</u>
<b>Change in cash and cash equivalents in reporting period</b>		<b>18,142</b>		<b>(35,462)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>167,928</b>		<b>203,390</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><b>186,070</b></u>		<u><b>167,928</b></u>
<b>Reconciliation of net income / (expenditure) to net cash flow from operating activities</b>				
Net expenditure for the reporting period (as per the Statement of Financial Activities)		<b>(92,317)</b>		<b>(73,438)</b>
Amici Artium sponsorship received taken to reserves		<b>11,325</b>		<b>11,438</b>
Amici Artium sponsorship released from reserves		<u><b>(11,667)</b></u>		<u><b>(15,950)</b></u>
		<u><b>(92,659)</b></u>		<u><b>(77,950)</b></u>
<b>Adjustments for:</b>				
Depreciation		49,331		50,263
Interest from investments		(74)		(3,039)
Decrease in debtors		43,110		5,353
Increase in creditors		<u>33,341</u>		<u>9,114</u>
<b>Net cash provided by / (used in) operating activities</b>		<u><b>33,049</b></u>		<u><b>(16,259)</b></u>

The notes on pages 7 to 15 form part of these audited financial statements.

Independent Auditors' Report – pages 2 and 3.



**1. Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimations and uncertainty in the preparation of the financial statements are as follows:

**a) Basis of Preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102 effective 1 January 2015) (Charities SORP (FRS102)). This is the first year that the Charities SORP (FRS102) has been applied but there was no requirement to re-state prior year comparatives. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note below.

**b) Going Concern**

The financial statements have been prepared on a going concern basis. The going concern basis assumes that a sufficient level of grant funding will be received annually from the States of Jersey via the Department for Education, Sport and Culture ("DESC") or the Department for Economic Development, Tourism, Sport and Culture ("DEDTSC") to enable the Association to continue operations.

**c) Taxation**

The Association has exempt status for Jersey income tax purposes. The Association, as a Not-for-profit Organisation, is not required to account for Goods and Services Tax ("GST") on sales and is able to recover GST on its costs.

**d) Lease of Buildings**

The Association holds a lease on its Phillips Street building from the freeholder, States of Jersey Property Holdings, at a peppercorn rent. Under the terms of the lease, the Association is responsible for maintaining the fabric of the building and its mechanical and electrical equipment. The charges for the office space in Charles House, Charles Street and for residency at the Old Magistrate's Court are yet to be finalised with States of Jersey Property Holdings. Negotiations are on-going regarding the Association's continued use of the Old Magistrate's Court which is currently due to terminate on 31<sup>st</sup> August 2016.

**e) Tangible Assets**

Tangible assets are stated at their purchase price, including any incidental expenses of acquisition, less accumulated depreciation. Leasehold property and auditorium building are amortised on a straight line basis over the remaining term of the lease. The lease commenced on 1 January 1982 and has a term of 99 years expiring on 31 December 2080. Depreciation is calculated to write down the net book value of other tangible fixed assets over the expected useful economic lives of the assets concerned, using the methods below. In the year in which assets have depreciated to a net book value of £250 or less, the remaining balance is then written down to zero in that year.

Steinway grand piano and baby grand piano	over 20 years, straight line basis
Air conditioning equipment and access doors	over 15 years, straight line
Computer equipment	over 3 years, straight line
Equipment, auditorium fixtures and fittings and motor vehicle	25% reducing balance basis

**f) Income**

**- From Generated Funds**

Voluntary income comprises all incoming resources from sponsorships, donations, grants and membership subscriptions. Voluntary income is recognised in the appropriate fund on a receivable basis and when any conditions of receipt are met. Investment income comprises interest receivable on cash balances and short term deposits.

**- From Charitable Activities and Governance Costs**

Activities for generating funds comprise income generated by the Association from operating activities. Income is recognised when the performance, course or workshop is completed. Advance ticket sales for events or activities occurring after the end of the reporting period are treated as deferred income.

**g) Expenditure**

**- From Charitable Activities**

All expenditure is accounted for on an accruals basis and is classified under the relevant activity within the Statement of Financial Activities. This expenditure is analysed in Note 5. Theatre salary costs are apportioned using historical rates of 37.5% to promotions and 62.5% to hirings.

**h) Funds Structure (Note 12)**

Unrestricted funds are those funds which can be used for any charitable purpose at the discretion of the Management Committee. Designated funds are those funds which have been set aside by the Management Committee for particular purposes.

Restricted funds must be used in accordance with the specific wishes of donors.

**JERSEY ARTS CENTRE ASSOCIATION**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2015**

8

	2015		2014		
	£	£	£	£	
<b>2. Grants</b>					
Annual grant from DfESC		453,425		452,706	
Tourism / Bailiff's Chamber re Liberation Day		15,000		7,491	
Jersey Heritage – Community Knitted Reef Project		-		20,000	
French residency grants from DfESC		-		6,052	
		<u>468,425</u>		<u>486,249</u>	
<b>3. Sponsorship</b>					
Advertising in brochure	2,950		400		
Bad Wurzach trip re The Great Warrior	<u>4,500</u>		<u>-</u>		
<b>Operations income</b>		<b>7,450</b>		<b>400</b>	
Amici Artium – donations released to underwrite deficit on season's performances	11,667		15,950		
Fox Trading Ltd re art competition	6,579		7,241		
TIE The Great Warrior	<u>-</u>		<u>69,564</u>		
<b>Project income</b>		<u><b>18,246</b></u>		<u><b>92,755</b></u>	
		<u><b>25,696</b></u>		<u><b>93,155</b></u>	
<b>4. Promotions</b>					
General box office income (excl hirings)		118,183		144,858	
Amici Artium box office income		<u>8,024</u>		<u>7,584</u>	
		<u><b>126,207</b></u>		<u><b>152,442</b></u>	
<b>5. Expenditure</b>					
	Cost of operations:		Managing the charity:		Total
	hirings	promotions	establishment	administration	finance
<b>Project</b>	£	£	£	£	£
Liberation Day		12,858	714	714	714
Amici Artium		20,353			
Fox Trading Ltd- art competition		6,579			
<b>Long Term</b>					
Phillips Street maintenance fund			6,036		
Total Restricted	-	39,790	6,750	714	714
Total Unrestricted	<u>89,079</u>	<u>259,060</u>	<u>88,234</u>	<u>336,800</u>	<u>55,300</u>
<b>Total</b>	<u><b>89,079</b></u>	<u><b>298,850</b></u>	<u><b>94,984</b></u>	<u><b>337,514</b></u>	<u><b>56,014</b></u>
					<u><b>876,441</b></u>

**5. Expenditure (continued)**

**Restricted and Unrestricted Funds**  
**Analysis of Costs of Managing the Charity**

	2015	2014
<b>~ Establishment</b>	<b>£</b>	<b>£</b>
Electricity	15,390	15,884
Water	5,401	4,703
Oil	1,950	2,000
Telephone	4,662	4,591
Cleaning	34,604	34,574
Re-conditioning Steinway Piano	-	1,260
Rent and Rates	997	371
Insurance	13,742	13,000
Repairs and Renewals	12,202	6,253
Repairs and Renewals- Phillips Street Maintenance Fund	6,036	26,432
	<u>94,984</u>	<u>109,068</u>
<b>~ Administration</b>	<b>£</b>	<b>£</b>
Wages and Social Security	271,875	276,965
Pension Costs	15,114	15,923
Employee Insurance Scheme	2,769	3,605
Audit	4,667	4,000
Travel and Conferences	8,414	7,110
Stationery	4,686	7,096
Postage	6,946	6,004
Motor Expenses	4,329	614
Advertising	980	1,862
Staff Training	1,696	-
Computer Software	13,102	12,133
Sundries	2,936	3,633
	<u>337,514</u>	<u>338,945</u>
<b>~ Finance</b>	<b>£</b>	<b>£</b>
Bank Interest and Charges	4,974	5,855
Amortisation and Depreciation	49,331	50,263
Equipment Leasing Cost	1,709	2,489
	<u>56,014</u>	<u>58,607</u>

**Average number of full time employees during year**

**14**                      **14**

**6. Gross transfers between funds**

	2015		2014	
	£	£	£	£
Release from capital donation reserves- general (Note 12)	12,356		11,430	
Release from capital donation reserves – roof development (Note 16)	<u>17,233</u>		<u>17,232</u>	
		29,589		28,662
Contribution to Amici Artium overheads from operations fund (Note 12)		<u>(662)</u>		<u>(705)</u>
<b>Net transfer into Operations Fund</b>		<u>28,927</u>		<u>27,957</u>
Contribution to Amici Artium overheads from operations fund (Note 12)		<u>662</u>		<u>705</u>
<b>Net transfer out of Project Funds</b>		<u>662</u>		<u>705</u>
Total release from capital donation reserves		<u>29,589</u>		<u>28,662</u>
<b>Net transfer out of Project Funds</b>		<u>29,589</u>		<u>28,662</u>

**7. Fund movements applied directly to reserves**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Net movement in unrestricted funds ~ operational deficit		
Allocation from General Designated Reserve	(56,692)	(18,344)
Amici Artium sponsorship received	11,325	11,438
Taken directly from reserves to meet shortfall in General Designated Fund	44,519	-

The General Designated Reserve is used to fund operational deficits as and when they arise (Note 14). Amici Artium sponsorship income is held in reserves until released to underwrite the net cost of a series of classical music performances (Note 12).

**8. Catering Franchise – Concession Rental**

Café Jacs Limited's 9 year lease for the bar and catering area at the Jersey Arts Centre was originally due to expire in March 2015 but was extended in 2013 and will now expire on 30 June 2018. The Management Committee is in further negotiations to extend the lease to 2021. The annual rent is £28,680 per annum (2014: £28,119).

**JERSEY ARTS CENTRE ASSOCIATION**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2015**

**9. Tangible Assets**

	Leasehold	Building	Air Conditioning Equipment	Fixtures and Fittings	Equipment	Pianos	Motor Vehicle	Computers	Total
Cost	£	£	£	£	£	£	£	£	£
At 1 January 2015	591,295	191,389	294,678	60,318	109,567	62,396	11,800	34,145	1,355,588
Additions	-	-	-	3,890	-	-	-	11,091	14,981
At 31 December 2015	591,295	191,389	294,678	64,208	109,567	62,396	11,800	45,236	1,370,569
Amorisation and Depreciation									
At 1 January 2015	157,680	46,755	107,130	34,623	94,353	57,446	11,489	29,436	538,912
Charge for the year	6,570	3,509	19,645	7,474	4,278	900	311	6,644	49,331
At 31 December 2015	164,250	50,264	126,775	42,097	98,631	58,346	11,800	36,080	588,243
Net book value									
At 31 December 2015	427,045	141,125	167,903	22,111	10,936	4,050	-	9,156	782,326
At 31 December 2014	433,615	144,634	187,548	25,695	15,214	4,950	311	4,709	816,676



**10. Debtors and Prepayments**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade Debtors	13,492	25,085
Other Debtors	6,099	34,662
Prepayments	11,400	12,409
GST – Recoverable	2,132	4,077
	<u>33,123</u>	<u>76,233</u>

**11. Creditors- Amounts falling due within one year**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade Creditors	39,374	15,727
Other Creditors	10,650	11,066
Accruals and Deferred Income	40,865	30,755
	<u>90,889</u>	<u>57,548</u>

**12. Restricted Funds**

The income funds of the charity include restricted funds comprising of the following movements and unexpended balances of donations and grants held on trust for specific purposes:

Note	Balance – 1 Jan £	Incoming Resource £	Expenditure and Transfers £	Balance – 31 Dec £
<b>Project Funds</b>				
Amici Artium (i)				
~ Box office income		8,024		
~ Donations		11,325		
~ Transfer from operations		662		
	<b>345</b>	<b>20,011</b>	<b>(20,353)</b>	<b>3</b>
Jersey Tourism				
~ Liberation Day (ii)	-	15,000	(15,000)	-
Fox Trading Art Competition (iii)	-	6,579	(6,579)	-
<b>Total Project Funds</b>	<b>345</b>	<b>41,590</b>	<b>(41,932)</b>	<b>3</b>
<b>Long Term Funds</b>				
Capital Donation Fund – General				
~ 2015 release (iv)	46,901		(12,356)	34,545
Capital Donation Fund- roof development (v)	165,089		(17,233)	147,856
Phillips Street Maintenance Fund (vi)				
~ Transfer to capital donation				
~ Release to operations fund	6,058		(6,036)	22
<b>Total Restricted Funds</b>	<b>218,393</b>	<b>41,590</b>	<b>(77,557)</b>	<b>182,426</b>

**Restricted Funds- details**

**Project Funds**

These represent funds made available for projects, generally funded on an annual basis.

- (i) Amici Artium This fund is supported by a group of benefactors who provide funding to underwrite the net cost of a series of classical music performances. The Amici Artium season generally runs from September to May and the balance at 31 December 2015 represents the balance of sponsors' donations in hand.
- (ii) Jersey Tourism Jersey Tourism provided grant funding for the Liberation Day entertainment.
- (iii) Fox Trading Art Competition Fox Trading Ltd provide sponsorship for the Fox Open Art Competition and Judge's Exhibition. The direct costs of these events are met by Fox Trading Ltd each year. Fox Trading Ltd is not related to Jackson Fox.



**12. Restricted Funds (continued)**

**Restricted Funds- details (continued)**

**Long Term Funds**

These represent funds used for capital or where there is an expectation that the fund will be used over the longer term.

- (iv) Capital Donation Fund- general      The balance on the capital donation fund represents money received from donors to part-fund or purchase a fixed asset. Each year a transfer is made from this fund to match the depreciation charge, or proportion of the charge in the case of part funding, of the specific asset in that year. Over time these reserves will reduce to zero as the assets become fully depreciated. The balance reflects future depreciation on the assets acquired through this fund.
- (v) Capital Donation Fund-  
     roof development                              The balance reflects future depreciation on the assets acquired through this fund (see Note 16).
- (vi) Phillips Street  
     Maintenance Fund                             This fund, received from DfESC, is to meet the maintenance and capital costs relating to the fabric of the building at Phillips Street, and its expenditure has been programmed over a 5 year period which began in 2010 (see Note 15).

**13. Accumulated Fund**

	2015	2014
	£	£
At 1 January	772,723	772,723
Net outgoing resources before transfers	(85,619)	(46,301)
Gross transfer between funds	28,927	27,957
Net movement in funds	56,692	18,344
Taken directly from reserves to meet shortfall in General Designated Fund	(44,519)	-
At 31 December	<u>728,204</u>	<u>772,723</u>

**14. Designated Fund**

	2015	2014
	£	£
<b>Movement on Designated Fund:</b>		
At 1 January	12,173	30,517
Transfer from Designated Fund re operational deficit (see Note 7)	(56,692)	(18,344)
Taken directly from reserves to meet shortfall in Designated Fund	44,519	-
At 31 December	<u>-</u>	<u>12,173</u>

The Designated Fund represents amounts put aside by the Management Committee for the purpose of future capital, project or revenue expenditure, asset replacement, improvements to the Association's facilities and equipment and to fund deficits as and when they arise. The fund is represented by amounts held in an interest bearing account. The account is not classified in the Balance Sheet as a current asset so that it may be segregated from the ordinary cash at bank and in hand of the Association.

Interest earned since 2008 is posted to the bank interest receivable account and hence included as income in the Statement of Financial Activities. A corresponding amount is transferred out of the Designated Fund and into the operational cash balance.

**15. Investments: Cash at Bank- Phillips Street Maintenance Fund**

	2015	2014
	£	£
<b>Movement on Phillip Street Maintenance Fund</b>		
At 1 January	6,058	54,094
Transfer to Capital Donation Reserve – General	-	(21,604)
Transfer to Operations Fund	(6,036)	(26,432)
At 31 December	<u>22</u>	<u>6,058</u>

This fund, received from DfESC, is to meet the maintenance and capital costs relating to the fabric of the building at Phillips Street, and its expenditure has been programmed over a 5 year period ending in 2015. The Association's allocation to the fund recognises DfESC's expectation that it will endeavour to set aside funding to meet ongoing maintenance obligations as they arise.

**16. Capital Donation Fund- Roof Development**

	2015	2014
	£	£
At 1 January	165,089	182,321
Capital donation release (see Note 6)	(17,233)	(17,232)
At 31 December	<u>147,856</u>	<u>165,089</u>

The reserve is proportionately released back so as to offset the impact of the air conditioning equipment's depreciation charge. As the useful life of the air conditioning equipment is 15 years from 2009, the capital donation reserve is being released over the same period.

**17. Contingent Liabilities**

The Jersey Arts Centre Appeal Fund previously received grants from Ann Street Brewery Company Ltd - now Victor Hugo Ltd - in the sum of £100,000 in consideration for a 35 year trading agreement dated 25 January 1983, expiring 2018. A proportional amount of the grant is repayable in the event of the Association, or concessionaire, ceasing to hold or operate a liquor licence during this term or if wet stock is purchased from an alternative supplier. At 31 December 2015 the amount repayable would have been £5,956 (2014: £8,813).

**18. Employee Pension Scheme**

A number of employees of the Association are contributory members of the Jersey Arts Centre Personal Pension Plan, which is a defined contribution scheme. The Association contributes to the scheme a variable percentage, based on the number of years continuous membership of the scheme and on the gross salary of each member. Currently 8 employees are members of the scheme (2014: 8).