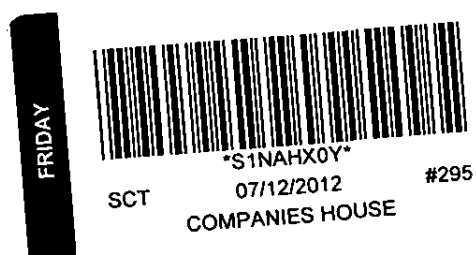


COMPANY REGISTRATION NUMBER SC187739

**MORAY ART CENTRE
COMPANY LIMITED
BY GUARANTEE
FINANCIAL STATEMENTS
31 MARCH 2012**



Charity Number SCO28270

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

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**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2012

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the unaudited financial statements of the charity for the year ended 31 March 2012.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Moray Art Centre
Charity registration number	SCO28270
Company registration number	SC187739
Business address	The Park Findhorn Forres Morayshire IV36 3TZ
Registered office	The Park Findhorn Forres Morayshire IV36 3TZ

THE TRUSTEES

The trustees who served the company during the period were as follows:

William Powrie
Angus Donaldson
Alison Isabella Hall
Catherine Diana Hastings
Sally Ann Hotson
Robert Lothian Kenny
Diane Main
Linda Lee Paterson
Fionna Ann Shearer
Christina Johnston Young

Secretary Geoff Hewitt

Bankers Lloyds TSB
2/4 Inglis Street
Inverness
IV1 1HN

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Moray Art Centre Limited is a company limited by guarantee governed by its Memorandum and Articles of Association July 1998. It is registered as a charity with the Scottish Charity Regulator (Reference number SC028270). As the company is limited by guarantee (without share capital), no board member has a beneficial interest in the company.

MORAY ART CENTRE COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2012

Recruitment and appointment of Board Members

The board members of the company are charity trustees for the purposes of charity law and directors for the purposes of company law. Under the requirements of the Memorandum and Articles of Association one third of the directors retire by rotation at each Annual General Meeting. The directors have a mix of artistic and business skills. In the event of particular skills being lost due to retirement or resignation, suitable individuals are approached to offer themselves for appointment as directors.

Board Members induction and training

Most new board members are already familiar with the work of the charity. New board members are encouraged to attend suitable training courses to familiarise themselves with both the work of the charity and their responsibilities as board members.

Organisation

The board members, as directors of the company, are legally responsible for the running of The Moray Art Centre. To facilitate effective operation of The Moray Art Centre the Board Members delegate responsibility to the Director, the Centre Manager, the Young People's Programme Co-ordinator and other associated individuals with the relevant professional skills.

Risk management

The board members have carried out a review of the major risks to which the charity is exposed, and where appropriate have put in place systems and controls to mitigate the effects of those risks.

OBJECTIVES AND ACTIVITIES

The object for which the company is established is to:

- (a) To advance the education of the general public and the artistic profession in all areas of the arts - including but not restricted to painting, drawing, pottery, art therapy, art history, music, dance, drama, storytelling, sculpture.
- (b) To promote and provide artistic skills of all kinds without distinction of sex, race, religion, age or political persuasion for recreation and other leisure time occupation.
- (c) To promote and provide training in artistic skills of all kinds as will assist the general public in obtaining paid employment or qualifications.

The principal activity of the company during the year was the development and operation of the purpose-built art centre.

ACHIEVEMENTS AND PERFORMANCE

Moray Art Centre is a new model in Scotland: an unsubsidised, 100% carbon-neutral, centre dedicated, by people who are devoted and passionate, to bringing beauty, creativity and purpose to the people of Moray and beyond. This year, Moray Art Centre created ten new exhibitions and an expanded curriculum of diverse classes, workshops, talks and performances. Our aim is to inspire and motivate all young people, especially those who are socially excluded and/or marginalised, by equipping them with the skills and resources to navigate their own route on a creative and professional path.

MORAY ART CENTRE COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2012

Development

This year Moray Art Centre, while in fully engaged in carrying out ongoing operations and development to expand our programme of exhibitions and educational activities, has totally restructured our organisation to a more managed business, evolving to profile clear job descriptions, organisational and individual targets and accountability, while adding three fully-funded, time-limited full-time posts.

Our aim, as we develop, is to change the percentage of our income to reflect a rise in our strategic trading income, with less reliance upon grant funding, for greater long-term viability and sustainability. Creative Scotland pointed out that Moray Art Centre is the only centre of its kind in Scotland, uniquely acting as a social enterprise with no regular subsidy, yet with extremely high aspirations aesthetically and based in our vision: Uplifting the soul and spirit through beauty. Moray Art Centre is the only centre in Scotland offering: historical exhibitions with important works of art borrowed from major museums (including The British Museum, National Galleries of Scotland, RIBA, The Courtauld Gallery), modern and contemporary exhibitions and a full and diverse curriculum of education, ongoing and linked to our exhibitions.

Exhibitions

- With our new partner, the Royal Institute of British Architects, we created Scotland's first exhibition of the architectural photography of Edwin Smith, opened by The Earl of Moray. Further exhibitions with the RIBA are planned to make use of their collection contemporary photography and graphics, including Scotland's first exhibition of 19th century photographs representing "The Grand Tour", Britain's opening to the arts of Europe in the 17th-19th centuries;
- This year, we also became a new "UK Partner" with The British Museum, allowing us to plan for Scotland's first exhibition of Classical Greek Sculpture, with 19th century works of art that documented the first British viewing of the "Elgin Marbles" from Lord Elgin's collection plus an exciting future of diverse loans from their 10 collections;
- Moray Art Centre now has visitor/participant numbers nearing 20,000 annually.

Recognition

- Museums Galleries Scotland, in this years conference in Edinburgh, "Collaborating to Compete", have selected one UK art centre and one USA centre to represent 'the new model' for sustainable (ecologically and financially) art centres to be showcased at their conference this September. Moray Art Centre is the UK centre that they have chosen. The Director, Randy Klinger, spoke at this event;
- Moray Art Centre is the first and only carbon-neutral civic building in Moray and beyond, generating all our own heat and electricity, and is a model for Scotland;
- Our Director, Randy Klinger, spoke at a symposium on philanthropy at Creative Scotland this year. He spoke about the vision and aims of the centre to an Edinburgh audience included on a panel that included the Director of Arts & Business Scotland;
- Our Director was also asked to speak for The Big Lottery at a presentation in Elgin to a Moray-wide audience, on fundraising.

MORAY ART CENTRE COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2012

New partners and advisors

Important British art historians have begun work with the Moray Art Centre, in order to carry out new major exhibitions including:

- Professor Elizabeth Moignard, Professor E.A. Moignard MA DPhil FSA FRSE Classics, School of Humanities, University of Glasgow;
- Dr Ian Jenkins, Senior Curator, Greece and Rome, The British Museum.

Education

- Moray Art Centre carried out a programme of creative classes, workshops and events to raise the public's awareness and appreciation of the environment through a major grant from the Climate Challenge Fund. Moray Art Centre received much positive media attention over the course of the nine-month period of this event;
- Our programme of education now extends to benefit of over 2,500 young people annually. We are now able to support a programme that benefits children and young people:
 - On the autistic spectrum;
 - Socially excluded children and young people;
 - With additional learning needs;
 - With sensory disorders;
 - Experiencing poverty of opportunities due to rurality;
 - Living in poverty and isolation with restricted access to opportunities;
 - Experiencing mental health challenges;
 - With physical, emotional and behavioural differences;
 - Young carers: Children and young people who help to care for someone with an illness or disability;
- We have successfully delivered a pilot project of a new mentoring programme for young people that has led to further training and sessional employment with Moray Art Centre. Young volunteers (14-25 years) are gaining experience in our Volunteering Programme, and have already received awards and been offered new skills and experience through job shadowing, to begin to lead their own classes;
- We have successfully delivered a pilot project of a new LEGO Therapy for young people on the autistic spectrum, and supportive social, networking, creative sessions for their families and carers;
- Our "Arts Award" programme, the first to be offered in Scotland, offers young people experiencing learning and mental issues equivalency qualifications;
- Our programme of classes expands both for adults and young people, as well as a particular focus on education and inspiration for people experiencing disadvantage, learning, sensory and mental disabilities and poverty of opportunity;

MORAY ART CENTRE COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2012

- Our new Artisan/Entrepreneur programme is just beginning, with an aim to create a renaissance in craft; to reinvigorate the design and creation of unique hand-made craft and items necessary to life. Additionally Moray Art Centre has begun a programme in digital media arts. Both these programmes are offering professional skills and direction for many people who wish to engage their lives with beauty in a sustainable way;
- We have received additional funding from the corporate sector, through LifeScan Scotland Ltd and the private sector and Volunteer Action Fund.

During the year Moray Art Centre also gained the "Volunteer Friendly Award" that allows us to be immediately recognised as an organisation that meets all the regulations and qualifications to offer significant work and training to volunteers of diverse backgrounds. The Volunteer Friendly Award is a simple, user-friendly quality standard designed by Volunteer Centre Dundee to support, recognise and reward groups who are good at involving volunteers. Many essential services in Scotland's communities are enhanced by volunteers. Volunteering also has a significant social value as it is increasingly being used to give excluded individuals the chance to build their confidence and skills through helping others. As it is a time of high unemployment, especially with young people, it has never been more important for groups to be able to show how good they are at involving and managing their volunteers;

Our growing team

Our centre, which runs a wide-spectrum of courses in 7 teaching studios, a Young Person's Programme, and a full and diverse programme of exhibitions (2 gallery spaces) has run for our first 4 years with just 4 staff. Gill Bird has joined our staff in the post of Exhibitions and Education Manager, replacing Scott Byrne in his role of Young Peoples Programme Coordinator. She will hold the responsibility for the annual exhibitions programme and our linked educational programme of classes and workshops, including young people's activities and education.

We now have received funding for:

- a new 70% funded, one-year, full-time post for a graduate intern Marketing Manager;
- a new 6-month, full-time post for a young person, to train and run our galleries and facilities;
- a new fully funded, one-year, full-time post for a Facilities Manager;
- a new 12-week, fully funded, full-time post for a young person, to carry out all graphic design for publicity.

We have continued the post of our part-time Coordinator for Volunteers, Kresanna Aigner, with funding from Volunteer Action Fund. Her role, of recruiting, training and supporting volunteers, has enhanced and expanded our volunteer team to create a group of 54 highly-skilled, motivated and committed people. The Coordinator for Volunteers is also designing and delivering monthly events for volunteers, offering them educational and social evenings, exhibitions to showcase and sell their artwork, additional training, awards and qualifications.

MORAY ART CENTRE COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2012

FINANCIAL REVIEW

Financial review

The income for the year was £339,435 (2011 - £265,817). Of this income £41,313 was in the form of unrestricted donations and £54,442 was generated from Art Centre activities. Restricted grants of £243,680 were received to meet the cost of various Art Centre projects.

The result for the year was a deficit of £8,881 on unrestricted funds and a surplus of £78,337 on restricted funds.

Reserves policy

The board members have examined the charity's requirements for reserves in the light of the main risks to the funding of the organisation. Realising that unrestricted reserves are needed to sustain the day to day operations of the business, the board members consider that the ideal level of reserves to meet the running cost for a period of at least three months to be in the region of £65,000. The board members are aiming for a year on year increase in unrestricted reserves and will be prudent in organising efficiency measures and fundraising activities to achieve this objective.

PLANS FOR FUTURE PERIODS

Moray Art Centre's year ahead promises new exhibitions, education and partners. We have now been accepted as a UK Partner with the The British Museum and Artists Rooms, an arts-lending resource from a partnership with The Tate and The National Galleries of Scotland.

After the success of our "Masters & Champions" Classical Greek exhibition with The British Museum and Lord Elgin, our 2012-13 exhibition plans include a wide spectrum of periods, artists and themes, with an exhibition of Diane Arbus' photographs coming from it's last site at Galerie National du Jeu de Paume, Paris; after a long touring history at MoMa, Metropolitan Museum, San Francisco Museum of Modern Art, and Victoria and Albert Museum.

Our Christmas exhibition will feature Julia Donaldson's "The Gruffalo", coming to us on tour from Belfast and Newcastle, alongside an exhibition of Life Drawings by secondary school students and an exhibition of experimental photographs from a young up-and-coming artist. We plan to run concurrent exhibitions throughout the year, both installations in our museum-quality gallery and community gallery that will include: Scottish Landscape Painting, Photography, an exhibition of Automata including pieces created for the feature films 'Hugo' and 'Woman in Black', watercolours from well known artists, a Winter Fair and an Open Exhibition.

Our linked education programme is one of the foundation stones of Moray Art Centre. We provide an enormous variety of classes, workshops and events in all aspects of creative art. Moray Art Centre has three classrooms including a dedicated Young Person's Studio offering opportunities to learn new creative skills and supporting young people to experiment with art and culture.

MORAY ART CENTRE COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2012

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of Moray Art Centre for the purposes of company law) are responsible for preparing the Trustees Annual Report 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 these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees 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.

INDEPENDENT EXAMINER

Paul Leathem FCA, of Muir & Addy Chartered Accountants, has been re-appointed as independent examiner for the ensuing year.

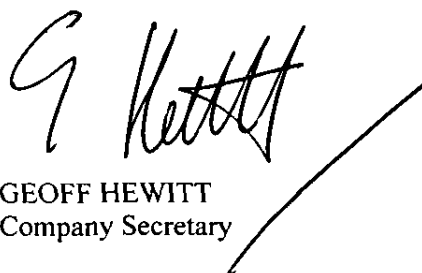
SMALL COMPANY PROVISIONS

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

Registered office:

The Park
Findhorn
Forres
Morayshire
IV36 3TZ

Signed by order of the trustees



GEOFF HEWITT
Company Secretary

15 November 2012

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
AND MEMBERS OF MORAY ART CENTRE**

YEAR ENDED 31 MARCH 2012



I report on the accounts of the charity for the year ended 31 March 2012 set out on pages 9 to 18.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND INDEPENDENT EXAMINER

The charity's trustees (who are also the directors of Moray Art Centre for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to state, on the basis of my examination as required under section 44(1) (c) of the Act, whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on whether the accounts present a 'true and fair view'.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the trustees have not met the requirements to ensure that:

- proper accounting records are kept in accordance with section 44(1) (a) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 4 of the Charities Accounts (Scotland) Regulations 2006; and
- accounts are prepared which agree with the accounting records, comply with Regulation 8 of the Charities Accounts (Scotland) Regulations 2006, and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

A handwritten signature in black ink, appearing to read 'Paul Leatham'.

Paul Leatham FCA, of Muir & Addy Chartered Accountants,
Independent examiner
Muir Building
427 Holywood Road
Belfast
BT4 2LT

15 November 2012

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE
INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 31 MARCH 2012

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	41,313	243,680	284,993	184,019
Activities for generating funds	3	<u>54,442</u>	<u>—</u>	<u>54,442</u>	<u>81,798</u>
TOTAL INCOMING RESOURCES		<u>95,755</u>	<u>243,680</u>	<u>339,435</u>	<u>265,817</u>
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income	4	(3,671)	—	(3,671)	(4,849)
Charitable activities	5/6	(93,193)	(165,343)	(258,536)	(237,372)
Governance costs	7	<u>(7,772)</u>	<u>—</u>	<u>(7,772)</u>	<u>(14,894)</u>
TOTAL RESOURCES EXPENDED		<u>(104,636)</u>	<u>(165,343)</u>	<u>(269,979)</u>	<u>(257,115)</u>
NET INCOMING RESOURCES FOR THE YEAR	8	(8,881)	78,337	69,456	8,702
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>53,414</u>	<u>586,225</u>	<u>639,639</u>	<u>630,937</u>
TOTAL FUNDS CARRIED FORWARD		<u>44,533</u>	<u>664,562</u>	<u>709,095</u>	<u>639,639</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 12 to 18 form part of these financial statements.

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 MARCH 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Tangible assets	10	826,567	856,162
CURRENT ASSETS			
Debtors	11	–	2,300
Cash at bank and in hand		<u>25,697</u>	<u>29</u>
		25,697	2,329
CREDITORS: Amounts falling due within one year	12	<u>(65,551)</u>	<u>(85,226)</u>
NET CURRENT LIABILITIES		(39,854)	(82,897)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>786,713</u>	<u>773,265</u>
CREDITORS: Amounts falling due after more than one year	13	<u>(77,618)</u>	<u>(133,626)</u>
NET ASSETS		<u>709,095</u>	<u>639,639</u>
FUNDS			
Restricted income funds	14	664,562	586,225
Unrestricted income funds	15	<u>44,533</u>	<u>53,414</u>
TOTAL FUNDS		<u>709,095</u>	<u>639,639</u>

The Balance sheet continues on the following page.
The notes on pages 12 to 18 form part of these financial statements.

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET *(continued)*

31 MARCH 2012

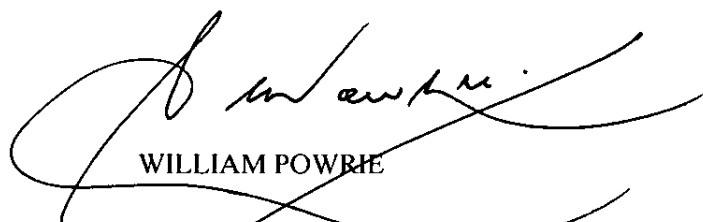
The trustees are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the members of the committee on the 15 November 2012 and are signed on their behalf by:



WILLIAM POWRIE



ROBERT LOTHIAN KENNY

Company Registration Number: SC187739

The notes on pages 12 to 18 form part of these financial statements.

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Fund accounting

The charity is responsible for various types of funds which require separate disclosures as follows:

Restricted funds

Funds earmarked by the donor for a specific purpose.

Designated funds

Funds set aside for a specific purpose.

Unrestricted funds

Funds which are expendable at the discretion of the directors in the furtherance of the objects of the charity.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment	- 25% straight line
Fixtures & Fittings	- 20% straight line
Leasehold Property	- 2% straight line

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Donations				
Donations	18,838	–	18,838	41,874
Gift aid	2,102	–	2,102	3,835
Other income	–	–	–	147
Grants receivable				
Arts & Business - project grant	18,000	–	18,000	–
Lifescan Scotland	1,800	–	1,800	–
Voluntary Action Fund	–	–	–	24,880
Leader/3rd Sector/HIE	–	2,400	2,400	55,635
Robertson Trust	–	8,500	8,500	–
Big Lottery Fund	–	54,520	54,520	–
Fairer Scotland	–	9,581	9,581	9,019
SCVO	–	5,199	5,199	510
Climate Challenge	–	–	–	45,339
VAM	–	–	–	1,347
Engage	–	–	–	233
Misc. grants	573	–	573	1,200
Creative Scotland	–	54,116	54,116	–
Keep Scotland Beautiful	–	8,391	8,391	–
Autism Fund	–	32,750	32,750	–
Volunteer Fund	–	30,833	30,833	–
Greener Moray	–	2,500	2,500	–
AA Fund	–	470	470	–
Awards for All	–	9,996	9,996	–
Moray Drug & Alcohol Fund	–	1,730	1,730	–
Flex Fund	–	3,000	3,000	–
Dance Fund	–	844	844	–
Heritage Lottery Fund	–	12,450	12,450	–
Community Learning Network	–	6,400	6,400	–
	<u>41,313</u>	<u>243,680</u>	<u>284,993</u>	<u>184,019</u>

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds	Total Funds 2012	Total Funds 2011
	£	£	£
Class rental	1,130	1,130	2,502
Workshop income	30,858	30,858	26,749
Exhibition income	3,495	3,495	2,566
Studio rental	6,613	6,613	1,722
Function income	3,705	3,705	6,118
Sales income	4,418	4,418	4,678
Miscellaneous income	1,380	1,380	755
Sponsorship	—	—	20,380
YP income	2,843	2,843	16,328
	<u>54,442</u>	<u>54,442</u>	<u>81,798</u>

4. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds	Total Funds 2012	Total Funds 2011
	£	£	£
Sales commissions	<u>3,671</u>	<u>3,671</u>	<u>4,849</u>

5. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds	Restricted Funds	Total Funds 2012	Total Funds 2011
	£	£	£	£
Direct charitable expenses	11,987	31,080	43,067	64,341
Administration expenses	20,652	43,440	64,092	47,356
Fundraising and development	32,469	4,559	37,028	40,771
Building costs	5,066	—	5,066	2,847
Wages and salaries	19,795	59,893	79,688	51,213
Depreciation	<u>3,224</u>	<u>26,371</u>	<u>29,595</u>	<u>30,844</u>
	<u>93,193</u>	<u>165,343</u>	<u>258,536</u>	<u>237,372</u>

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

6. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Direct charitable expenses £	Total Funds 2012 £	Total Funds 2011 £
Direct charitable expenses	43,067	43,067	64,341
Administration expenses	64,092	64,092	47,356
Fundraising and development	37,028	37,028	40,771
Building costs	5,066	5,066	2,847
Wages and salaries	79,688	79,688	51,213
Depreciation	29,595	29,595	30,844
	<u>258,536</u>	<u>258,536</u>	<u>237,372</u>

7. GOVERNANCE COSTS

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Accountancy fees	1,800	1,800	6,979
Interest payable	5,972	5,972	7,915
	<u>7,772</u>	<u>7,772</u>	<u>14,894</u>

8. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2012 £	2011 £
Amortisation of leasehold property	16,118	16,118
Depreciation	<u>13,477</u>	<u>14,726</u>

9. PARTICULARS OF EMPLOYEES

Total staff costs were as follows:

	2012 £	2011 £
Wages and salaries	74,663	47,703
Social security costs	<u>5,025</u>	<u>3,510</u>
	<u>79,688</u>	<u>51,213</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2012 No	2011 No
Number of administrative staff	<u>6</u>	<u>4</u>

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

9. PARTICULARS OF EMPLOYEES *(continued)*

No employee received remuneration of more than £60,000 during the year (2011 - Nil).

10. TANGIBLE FIXED ASSETS

	Equipment £	Fixtures & Fittings £	Leasehold Property £	Total £
COST				
At 1 April 2011 and 31 March 2012	<u>29,757</u>	<u>39,230</u>	<u>865,989</u>	<u>934,976</u>
DEPRECIATION				
At 1 April 2011	9,601	20,859	48,354	78,814
Charge for the year	<u>3,403</u>	<u>10,074</u>	<u>16,118</u>	<u>29,595</u>
At 31 March 2012	<u>13,004</u>	<u>30,933</u>	<u>64,472</u>	<u>108,409</u>
NET BOOK VALUE				
At 31 March 2012	<u>16,753</u>	<u>8,297</u>	<u>801,517</u>	<u>826,567</u>
At 31 March 2011	<u>20,156</u>	<u>18,371</u>	<u>817,635</u>	<u>856,162</u>

11. DEBTORS

	2012 £	2011 £
Other debtors	<u>—</u>	<u>2,300</u>

12. CREDITORS: Amounts falling due within one year

	2012 £	2011 £
Bank loans and overdrafts	—	49,167
Trade creditors	3,503	—
PAYE and social security	1,523	759
Other loans	58,725	33,500
Accruals	<u>1,800</u>	<u>1,800</u>
	<u>65,551</u>	<u>85,226</u>

13. CREDITORS: Amounts falling due after more than one year

	2012 £	2011 £
Other loans	<u>77,618</u>	<u>133,626</u>

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

14. RESTRICTED INCOME FUNDS

	Balance at 1 Apr 2011 £	Incoming resources £	Outgoing resources £	Balance at 31 Mar 2012 £
Premises fund	551,490	—	(17,004)	534,486
Big Lottery	—	54,520	(40,111)	14,409
Leader/3rd Sector	32,236	2,400	(14,367)	20,269
Robertson Trust	—	8,500	(8,500)	—
Leader/3rd Sector premises grant	2,499	—	(2,499)	—
Fairer Scotland	—	9,581	(9,581)	—
SCVO	—	5,199	(5,199)	—
Creative Scotland	—	54,116	(11,699)	42,417
Keep Scotland Beautiful	—	8,391	(8,391)	—
Greener Moray fund	—	2,500	(2,500)	—
Autism fund	—	32,750	(7,030)	25,720
Community Learning Network	—	6,400	(6,400)	—
AA fund	—	470	(470)	—
Heritage Lottery Fund	—	12,450	(4,510)	7,940
Awards for All	—	9,996	(4,123)	5,873
Volunteer fund	—	30,833	(17,385)	13,448
Moray Drug & Alcohol fund	—	1,730	(1,730)	—
Flex fund	—	3,000	(3,000)	—
Dance fund	—	844	(844)	—
	<u>586,225</u>	<u>243,680</u>	<u>(165,343)</u>	<u>664,562</u>

15. UNRESTRICTED INCOME FUNDS

	Balance at 1 Apr 2011 £	Incoming resources £	Outgoing resources £	Balance at 31 Mar 2012 £
Property revaluation reserve	60,000	—	—	60,000
General Funds	(6,586)	95,755	(104,636)	(15,467)
	<u>53,414</u>	<u>95,755</u>	<u>(104,636)</u>	<u>44,533</u>

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets/ (liabilities) £	Long term liabilities £	Total £
Restricted Income Funds:				
Premises fund	534,486	—	—	534,486
Big Lottery	—	14,409	—	14,409
Leader/3rd Sector	20,269	—	—	20,269
Fairer Scotland	—	42,417	—	42,417
SCVO	—	25,720	—	25,720
Climate Challenge	—	7,940	—	7,940
VAM	—	5,873	—	5,873
Highlands & Islands Enterprise	—	13,448	—	13,448
	<u>554,755</u>	<u>109,807</u>	<u>—</u>	<u>664,562</u>
Unrestricted Income Funds:				
Property revaluation reserve	60,000	—	—	60,000
General Funds	211,812	(149,661)	(77,618)	(15,467)
	<u>271,812</u>	<u>(149,661)</u>	<u>(77,618)</u>	<u>44,533</u>
Total Funds	<u>826,567</u>	<u>(39,854)</u>	<u>(77,618)</u>	<u>709,095</u>

17. RELATED PARTY TRANSACTIONS

The company was under the control of the board of directors (trustees) throughout the current and previous year.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard for Smaller Entities (effective April 2008).

18. COMPANY LIMITED BY GUARANTEE

Moray Art Centre is a company limited by guarantee not having a share capital. According to the Memorandum of Association of the company every member undertakes to contribute to the assets of the company in the event of its being wound up while he/she is a member, or within one year afterwards, for payment of the debts and liabilities of the company contracted before the time at which he/she ceases to be a member and of the costs, charges and expenses of winding up of the same, and for the adjustment of the rights of the contributories amongst themselves, such as may be required not exceeding £1.

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

MANAGEMENT INFORMATION

YEAR ENDED 31 MARCH 2012

**The following pages do not form part of the statutory financial statements
which are the subject of the independent examiner's report on page 8.**

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2012

	2012 £	2011 £
INCOMING RESOURCES		
VOLUNTARY INCOME		
Donations	18,838	41,874
Gift aid	2,102	3,835
Other income	–	147
Arts & Business - project grant	18,000	–
Lifescan Scotland	1,800	–
Voluntary Action Fund	–	24,880
Leader/3rd Sector/HIE	2,400	55,635
Robertson Trust	8,500	–
Big Lottery Fund	54,520	–
Fairer Scotland	9,581	9,019
SCVO	5,199	510
Climate Challenge	–	45,339
VAM	–	1,347
Engage	–	233
Misc. grants	573	1,200
Creative Scotland	54,116	–
Keep Scotland Beautiful	8,391	–
Autism Fund	32,750	–
Volunteer Fund	30,833	–
Greener Moray	2,500	–
AA Fund	470	–
Awards for All	9,996	–
Moray Drug & Alcohol Fund	1,730	–
Flex Fund	3,000	–
Dance Fund	844	–
Heritage Lottery Fund	12,450	–
Community Learning Network	6,400	–
	<u>284,993</u>	<u>184,019</u>
ACTIVITIES FOR GENERATING FUNDS		
Class rental	1,130	2,502
Workshop income	30,858	26,749
Exhibition income	3,495	2,566
Studio rental	6,613	1,722
Function income	3,705	6,118
Sales income	4,418	4,678
Miscellaneous income	1,380	755
Sponsorship	–	20,380
YP income	2,843	16,328
	<u>54,442</u>	<u>81,798</u>
TOTAL INCOMING RESOURCES	<u>339,435</u>	<u>265,817</u>

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2012

	2012 £	2011 £
RESOURCES EXPENDED		
COSTS OF GENERATING VOLUNTARY INCOME		
Sale commissions	2,181	3,288
Garden project/upkeep	1,490	830
Office expenses - Other	—	731
	<u>3,671</u>	<u>4,849</u>
CHARITABLE ACTIVITIES		
Staff costs - Wages & Salaries	74,663	47,703
Staff costs - Employer's NIC	5,025	3,510
Establishment - Rent	1,995	1,834
Establishment - Light & heat	5,682	6,568
Building/grounds upkeep	4,973	4,644
Establishment - Insurance	3,770	3,643
Printing and publicity	4,035	9,967
Travel, accommodation and subsistence	10,629	5,532
Hospitality	3,199	1,881
Development fees	149	10,874
IT Consultancy	9,888	555
Office expenses - Telephone	1,152	1,785
Office expenses - Other	6,088	5,033
Depreciation of leasehold property	16,118	16,118
Depreciation on fixtures, fittings & equipment	13,477	14,726
Art materials	4,223	2,040
Artists fees	16,180	18,322
Exhibition costs	5,680	12,069
Model fees	1,031	820
Tutor fees	8,276	9,188
Management fees	—	13,500
Meetings	—	121
Broadband	1,477	91
Volunteer costs	1,081	663
Bad debts	2,300	—
Sundry expenses	771	30
Subscriptions and fees	241	142
Health and safety	785	128
Centre director's fees	31,000	18,747
Centre manager's fees	5,000	12,000
Recruitment	155	384
Domestic supplies	1,712	1,124
Marketing	17,781	13,630
	<u>258,536</u>	<u>237,372</u>

MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2012

	2012 £	2011 £
GOVERNANCE COSTS		
Accountancy fees	1,800	6,979
Interest payable	<u>5,972</u>	<u>7,915</u>
	<u>7,772</u>	<u>14,894</u>
 TOTAL RESOURCES EXPENDED	 <u>269,979</u>	 <u>257,115</u>
 NET INCOMING RESOURCES FOR THE YEAR	 <u>69,456</u>	 <u>8,702</u>

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2012

	2012 £	2011 £
COSTS OF GENERATING VOLUNTARY INCOME		
Sales commissions		
Sale commissions	2,181	3,288
Garden project/upkeep	1,490	830
Office expenses - Other	—	731
	<u>3,671</u>	<u>4,849</u>

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2012

	2012 £	2011 £
CHARITABLE ACTIVITIES		
Direct charitable expenses		
Establishment - Rent	1,995	1,834
Establishment - Light & heat	5,682	6,568
Art materials	4,223	2,040
Artists fees	16,180	18,322
Exhibition costs	5,680	12,069
Model fees	1,031	820
Tutor fees	8,276	9,188
Management fees	—	13,500
	<u>43,067</u>	<u>64,341</u>
Administration expenses		
Building/grounds upkeep	—	1,797
Establishment - Insurance	3,677	3,643
Travel, accommodation and subsistence	2,529	5,532
Development fees	81	213
IT Consultancy	9,797	—
Office expenses - Telephone	1,010	1,785
Office expenses - Other	4,343	2,464
Meetings	—	121
Broadband	1,477	91
Volunteer costs	1,081	663
Bad debts	2,300	—
Sundry expenses	771	30
Subscriptions and fees	241	142
Health and safety	785	128
Centre director's fees	31,000	18,747
Centre manager's fees	5,000	12,000
	<u>64,092</u>	<u>47,356</u>
Fundraising and development		
Printing and publicity	4,035	9,967
Travel, accommodation and subsistence	8,100	—
Hospitality	3,199	1,881
Development fees	68	10,661
IT Consultancy	91	555
Office expenses - Telephone	142	—
Office expenses - Other	1,745	2,569
Recruitment	155	384
Domestic supplies	1,712	1,124
Marketing	17,781	13,630
	<u>37,028</u>	<u>40,771</u>

**MORAY ART CENTRE
COMPANY LIMITED BY GUARANTEE**

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2012

	2012 £	2011 £
Building costs		
Building/grounds upkeep	4,973	2,847
Establishment - Insurance	93	—
	<u>5,066</u>	<u>2,847</u>
 Wages and salaries		
Staff costs - Wages & Salaries	74,663	47,703
Staff costs - Employer's NIC	5,025	3,510
	<u>79,688</u>	<u>51,213</u>
 Depreciation		
Depreciation of leasehold property	16,118	16,118
Depreciation on fixtures, fittings & equipment	13,477	14,726
	<u>29,595</u>	<u>30,844</u>
	<u>258,536</u>	<u>237,372</u>